State: *Vermont* ***Filing Company:*** *MVP Health Plan, Inc.*
TOI/Sub-TOI: *HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.004F Small Group Only - HMO*
Product Name: *VT 2014 Exchange Rate Filing*
Project Name/Number: */*

Filing at a Glance

Company:	MVP Health Plan, Inc.
Product Name:	VT 2014 Exchange Rate Filing
State:	Vermont
TOI:	HOrg02G Group Health Organizations - Health Maintenance (HMO)
Sub-TOI:	HOrg02G.004F Small Group Only - HMO
Filing Type:	Rate
Date Submitted:	03/25/2013
SERFF Tr Num:	MVPH-128956063
SERFF Status:	Assigned
State Tr Num:	65571
State Status:	Pending Department Review
Co Tr Num:	13-01 VT EXCHANGE (RATE)
Implementation Date Requested:	01/01/2014
Author(s):	Kristen Marsh, Matt Lombardo
Reviewer(s):	Sean Londergan (primary)
Disposition Date:	
Disposition Status:	
Implementation Date:	

State Filing Description:

State: *Vermont* **Filing Company:** *MVP Health Plan, Inc.*
TOI/Sub-TOI: *HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.004F Small Group Only - HMO*
Product Name: *VT 2014 Exchange Rate Filing*
Project Name/Number: */*

General Information

Project Name:
Project Number:
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Group Market Type: Employer, Association, Non Employer Group
Filing Status Changed: 03/25/2013
State Status Changed: 03/26/2013
Created By: Matt Lombardo
Corresponding Filing Tracking Number:

Status of Filing in Domicile:
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Group
Group Market Size: Small
Overall Rate Impact:

Deemer Date:
Submitted By: Kristen Marsh

PPACA: Non-Grandfathered Immed Mkt Reforms

PPACA Notes: null

Exchange Intentions: The rates included in this filing will be sold on the Vermont Exchange in 2014.

Filing Description:
The attached HMO rate filing is for individuals and small groups residing in the state of Vermont with effective dates beginning in 2014. The rates filed are effective through December 31, 2014 and will be available on Vermont's Health Insurance Exchange.

Company and Contact

Filing Contact Information

Matt Lombardo,
625 State Street
Schenectady, NY 12305

mlombardo@mvphealthcare.com
518-388-2483 [Phone]

Filing Company Information

MVP Health Plan, Inc.
625 State Street
Schenectady, NY 12305
(518) 388-2469 ext. [Phone]

CoCode: 95521
Group Code: 1198
Group Name:
FEIN Number: 14-1640868

State of Domicile: New York
Company Type: Health Maintenance Organization
State ID Number:

Filing Fees

Fee Required? Yes
Fee Amount: $50.00
Retaliatory? No
Fee Explanation:
Per Company: Yes

Company	Amount	Date Processed	Transaction #
MVP Health Plan, Inc.	$50.00	03/25/2013	68760000

State: Vermont **Filing Company:** MVP Health Plan, Inc.
TOI/Sub-TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.004F Small Group Only - HMO
Product Name: VT 2014 Exchange Rate Filing
Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: %
Overall Percentage of Last Rate Revision: %
Effective Date of Last Rate Revision:
Filing Method of Last Filing: SERFF

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
MVP Health Plan, Inc.	New Product	0.000%	0.000%	$0	0	$0	0.000%	0.000%

State: *Vermont* **Filing Company:** *MVP Health Plan, Inc.*
TOI/Sub-TOI: *HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.004F Small Group Only - HMO*
Product Name: *VT 2014 Exchange Rate Filing*
Project Name/Number: */*

Rate Review Detail

COMPANY:

Company Name:	MVP Health Plan, Inc.
HHS Issuer Id:	77556
Product Names:	MVP VT HMO 2014 Exchange Products
Trend Factors:	

FORMS:

New Policy Forms:	
Affected Forms:	
Other Affected Forms:	FRVT-HMO

REQUESTED RATE CHANGE INFORMATION:

Change Period:	Other
Member Months:	242,105
Benefit Change:	None
Percent Change Requested:	Min: 0.0 Max: 0.0 Avg: 0.0

PRIOR RATE:

Total Earned Premium:	0.00
Total Incurred Claims:	0.00
Annual $:	Min: 0.00 Max: 0.00 Avg: 0.00

REQUESTED RATE:

Projected Earned Premium:	91,790,821.00
Projected Incurred Claims:	76,603,388.00
Annual $:	Min: 175.39 Max: 534.67 Avg: 379.14

State: Vermont **Filing Company:** MVP Health Plan, Inc.
TOI/Sub-TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.004F Small Group Only - HMO
Product Name: VT 2014 Exchange Rate Filing
Project Name/Number: /

Supporting Document Schedules

Satisfied - Item:	Actuarial Memorandum
Comments:	Please see the attached actuarial memorandum below.
Attachment(s):	VT 2014 Exchange Actuarial Memorandum.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Filing Compliance Certification
Comments:	Please see attached.
Attachment(s):	Certification of Compliance - MAF.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Health Administrative Forms
Comments:	Please see attached.
Attachment(s):	Health Filing Form F106 HMO Sm.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Health Filing Data
Comments:	The information below contains files which summarize the data MVP used to calculate premium rates, rate filing exhibits, actuarial certifications of non-standard plans, and a memorandum from MVP's hired consultant quantifying the value of additional essential health benefits.

SERFF Tracking #:	*MVPH-128956063*	***State Tracking #:***	*65571*	***Company Tracking #:***	*13-01 VT EXCHANGE (RATE)*

State:	*Vermont*	***Filing Company:***	*MVP Health Plan, Inc.*
TOI/Sub-TOI:	*HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.004F Small Group Only - HMO*		
Product Name:	*VT 2014 Exchange Rate Filing*		
Project Name/Number:	*/*		

Attachment(s):	Agriservices R12 Exhibit - Q1 2014.xls Catamount R12 Exhibit - Q1 2014.xls SG R12 Exhibit - Q1 2014.xls VIIPs R12 Exhibit - Q1 2014.xls MVP Vermont Essential Health Benefits.pdf Actuarial Value Memorandum 20130320.pdf MVP Health Plan Financial Information - Exhibit 5.xls VT Rate Review Checklists.pdf VT 2014 Exchange Rate Filing.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Third Party Filing Authorization
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Rate Summary Worksheet
Bypass Reason:	This is a 2014 Rate Filing. A new rate summary worksheet will be issued by HHS in the near future. At that time, MVP will submit the worksheet.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consumer Disclosure Form
Bypass Reason:	New product filing -- n/a.
Attachment(s):	
Item Status:	
Status Date:	

State: Vermont **Filing Company:** MVP Health Plan, Inc.
TOI/Sub-TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.004F Small Group Only - HMO
Product Name: VT 2014 Exchange Rate Filing
Project Name/Number: /

Attachment Agriservices R12 Exhibit - Q1 2014.xls is not a PDF document and cannot be reproduced here.

Attachment Catamount R12 Exhibit - Q1 2014.xls is not a PDF document and cannot be reproduced here.

Attachment SG R12 Exhibit - Q1 2014.xls is not a PDF document and cannot be reproduced here.

Attachment VIIPs R12 Exhibit - Q1 2014.xls is not a PDF document and cannot be reproduced here.

Attachment MVP Health Plan Financial Information - Exhibit 5.xls is not a PDF document and cannot be reproduced here.

Table of Contents
MVP Health Plan, Inc.
2014 Vermont Exchange Rate Filing

Cover Letter - Contact Information and Form Numbers

Company Information

Company Legal Name:	MVP Health Plan, Inc.
HIOS Issuer ID:	77566
NAIC Number:	95521

Primary Contact Information

Contact Name:	Kathleen Fish, FSA, MAAA
Contact Title:	Director of Pricing, Actuarial Services
Primary Contact Phone #:	1-800-777-4793, ext. 2467
Primary Contact Address:	625 State Street Schenectady, NY 12301-2207
Primary Contact E-mail:	kfish@mvphealthcare.com

Form Name	Product Type	Metal Level	Standard/Non-Standard	Other Information	New or Revised Form?	Approval Date	SERFF State Tracking #
FRVT-HMO-P-001-S	HyHMO	Platinum	Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-G-001-S	HyHMO	Gold	Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-G-001-N	HyHMO	Gold	Non-Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-G-002-N	HyHMO	Gold	Non-Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-S-001-S	HyHMO	Silver	Standard	Non-Subsidized	New	N/A	64077
FRVT-HMOH-S-001-S	HDHMO	Silver	Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-S-001-N	HyHMO	Silver	Non-Standard	Non-Subsidized	New	N/A	64077
FRVT-HMOH-S-002-N	HDHMO	Silver	Non-Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-B-001-S	HMO	Bronze	Standard	Non-Subsidized	New	N/A	64077
FRVT-HMOH-B-001-S	HDHMO	Bronze	Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-B-001-N	HMO	Bronze	Non-Standard	Non-Subsidized	New	N/A	64077
FRVT-HMOH-B-002-N	HDHMO	Bronze	Non-Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-C-001-S	HMO	Catastrophic	Standard	Non-Subsidized	New	N/A	64077
FRVT-HMO-S1-001-S	HyHMO	Silver	Standard	Subsidized (73%)	New	N/A	64077
FRVT-HMO-S1-002-S	HyHMO	Silver	Standard	Subsidized (87%)	New	N/A	64077
FRVT-HMO-S1-003-S	HyHMO	Silver	Standard	Subsidized (94%)	New	N/A	64077
FRVT-HMOH-S1-001-S	HDHMO	Silver	Standard	Subsidized (73%)	New	N/A	64077
FRVT-HMOH-S1-002-S	HDHMO	Silver	Standard	Subsidized (87%)	New	N/A	64077
FRVT-HMOH-S1-003-S	HDHMO	Silver	Standard	Subsidized (94%)	New	N/A	64077
FRVT-HMO-S1-001-N	HyHMO	Silver	Non-Standard	Subsidized (73%)	New	N/A	64077
FRVT-HMO-S1-002-N	HyHMO	Silver	Non-Standard	Subsidized (87%)	New	N/A	64077
FRVT-HMO-S1-003-N	HyHMO	Silver	Non-Standard	Subsidized (94%)	New	N/A	64077
FRVT-HMOH-S1-001-N	HDHMO	Silver	Non-Standard	Subsidized (73%)	New	N/A	64077
FRVT-HMOH-S1-002-N	HDHMO	Silver	Non-Standard	Subsidized (87%)	New	N/A	64077

FRVT-HMOH-S1-003-N	HDHMO	Silver	Non-Standard	Subsidized (94%)	New	N/A	64077
FRVT-HMO-PA2-001-S	HyHMO	Platinum	Standard	AI/AN	New	N/A	64077
FRVT-HMO-GA2-001-S	HyHMO	Gold	Standard	AI/AN	New	N/A	64077
FRVT-HMO-GA2-001-N	HyHMO	Gold	Non-Standard	AI/AN	New	N/A	64077
FRVT-HMO-GA2-002-N	HyHMO	Gold	Non-Standard	AI/AN	New	N/A	64077
FRVT-HMO-SA2-001-S	HyHMO	Silver	Standard	AI/AN	New	N/A	64077
FRVT-HMOH-SA2-001-S	HDHMO	Silver	Standard	AI/AN	New	N/A	64077
FRVT-HMO-SA2-001-N	HyHMO	Silver	Non-Standard	AI/AN	New	N/A	64077
FRVT-HMOH-SA2-001-N	HDHMO	Silver	Non-Standard	AI/AN	New	N/A	64077
FRVT-HMO-BA2-001-S	HMO	Bronze	Standard	AI/AN	New	N/A	64077
FRVT-HMOH-BA2-001-S	HDHMO	Bronze	Standard	AI/AN	New	N/A	64077
FRVT-HMO-BA2-001-N	HMO	Bronze	Non-Standard	AI/AN	New	N/A	64077
FRVT-HMOH-BA2-001-N	HDHMO	Bronze	Non-Standard	AI/AN	New	N/A	64077
FRVT-HMO-BA1-001-S	HMO	Bronze	Standard	AI/AN, Subsidized	New	N/A	64077
FRVT-HMO-BA1-001-N	HMO	Bronze	Non-Standard	AI/AN, Subsidized	New	N/A	64077

ACTUARIAL MEMORANDUM

2014 Vermont Exchange Rate Filing

Scope and Purpose

Premium rates for all new products filed for the State of Vermont's Individual and SHOP Exchange are included here in for approval. The rate filing has been prepared to satisfy the requirements of 8 V.S.A § 5104 as well as the requirements of the Federal ACA. The premium rates are effective between 1/1/2014 and 12/31/2014. These rates do not reflect a rate adjustment to prior rates as these are new products offered for the first time.

Market/Benefits

All products and rates included in this rate filing are available to both individuals and small employer groups. A description of benefits is included in Exhibit 1 of the rate filing. All EHB's are covered. Only one EHB substitution was made as required by the Department of VHA, a substitution for the $2,000 annual Private Duty Nursing benefit limit in the benchmark plan. MVP contracted Milliman to determine an actuarially equivalent visit limit. The supporting memorandum is included with the documents supplementing this filing. The non standard products proposed by MVP and included in this rate filing include a wellness benefit in excess of the EHB. This wellness benefit is included in all non standard products and is filed as a mandatory rider (Form FRVT-300).

To inform consumers of the availability and details of the products included in this filing, MVP will provide community outreach support as well as offer web and print product content and other printed product materials for VT plans. MVP will also have a mass media presence to further educate health care customers in Vermont.

The book of business affected by this rate filing reflects 3,792 policyholders, 10,763 subscribers and 19,128 members.

Experience Period Claims (Rate Filing Exhibit 3)

In conjunction with the single risk pool requirement, the allowed claims for MVP's small group EPO, small group PPO, small group HMO, Individual Indemnity, Catamount and Agriservices Association group were combined together for the incurred experience period 11/1/2011 – 10/31/2012, paid through 1/31/2013 and used in the development of the Allowed Index rate.

Allowed claim data includes claims from our fee for service claim warehouse along with additional medical expenses not captured there like payments associated with medical home, physician incentive payments, FFS write offs and net reinsurance expenses.

An allowance for incurred but not reported paid claims was added to the experience period allowed claims. The IBNR factors were supplied directly from MVP's reserving actuary. MVP uses a combination PMPM and completion factor method to develop IBNR estimates. Vermont specific data for the experience period was used to develop the factors and they are consistent with the IBNR factors used in MVP's monthly financial statements.

Adjustments to Experience Period Claims (Rate Filing Exhibit 3)

No adjustments were made to the base experience period claims. No adjustment was necessary for the impact of private reinsurance. There were no reinsurance recoveries over the experience period and the expected net cost of private reinsurance was included in the non fee for service experience period claim cost. No adjustment was made for large claim pooling.

Projection Factor Adjustments to Experience Period Claims (Rate Filing Exhibit 3)

The experience period claims do not fully reflect the covered services expected in the Exchange Market. The experience period does not fully reflect new mandates imposed by both the federal government and the state of Vermont as well as changes due to the EHB benchmark plan. The items listed below identify the necessary adjustments.

Benefits being removed

Included in MVP's current contracts are optional riders for coverage of elective abortion and vision benefits. The PMPM cost of these benefits in the experience period were identified and subtracted from the experience period base cost.

New benefits due to EHB and Federal and State Mandates

ACA Preventive Women's Mandate

The ACA Women's Preventive Mandate was effective beginning with August 2012 renewals. Covered benefits are expanded under the women's preventative mandate. The benefit expansion includes items such as coverage for breast pumps, sterilization surgery at no cost, counseling and other miscellaneous services. MVP estimates the cost of these services to equal $0.21 PMPM. This estimate was based on a study done for all of MVP's commercial lines of business and used in rate adjustments for NY and NH products as well. Although a portion of the experience period received this benefit, it represented less than 2% of the experience period membership. Therefore, the full $0.21 is added to the index rate projection.

Disposable Supplies

MVP currently covers disposable supplies (DMS) as an optional rider. Identifying and isolating the claim cost associated with these riders is not supported in our claim warehouse however only approximately 2% of the membership has purchased the rider. To approximate the additional allowed cost this benefit will add to the experience period base, we used the net pmpm cost of the DMS rider grossed up for the average paid to allowed ratio of the pool and multiplied by proportion of membership that does not currently purchase the rider.

Pediatric Vision

Vision exams and a hardware allowance for children is now a standard benefit in the benchmark plan. MVP contracted Milliman to estimate the cost of this benefit. The supporting memorandum is included with the documents supplementing this filing.

O*ther New Benefits*

In addition to the above, MVP will cover for the first time Private Duty Nursing, Sterilization Reversal, Couples Therapy and Wigs as a result of the EHB requirements. MVP contracted Milliman to estimate the cost of these additional benefits. The supporting memorandum is included with the documents supplementing this filing. Included in this line item on Exhibit 3 is the additional cost associated with the Vermont Autism mandate expansion from age 6 to age 21. Consistent with 2013 rate filing estimates, MVP has assumed this will add $1.88 PMPM to the net claim cost. Because 2 months of this expansion is already reflected in the experience period claims, only $1.72 PMPM is assumed missing from the experience period based. In addition, because the Index rate is based on allowed claims, the $1.72 was adjusted up by the average actuarial value assumed in the experience period (72.7%). The resulting Index Rate adjustment for this benefit mandate is $2.37 PMPM.

Adjustment to Catamount Claims only
Included in the single risk pool experience period data is 6,613 member months of claims for the Catamount product. Catamount's provider fee schedules are different than MVP's commercial fee schedules. An adjustment was made to the medical claims to reflect the expected cost of those claims at the commercial fee schedule.

Trend Factors

The development of annual medical trend factors is illustrated in Exhibit 2a. MVP assumed 0% utilization trend. The assumed unit cost trends reflect known and assumed price increases from MVP's provider network. Support for MVP's 0% utilization trend factor is based on regression studies done on MVP's VT book of business as well as review of a recent trend study sponsored by the non-profit organization Health Care Cost Institute (HCCI) which indicates essentially overall flat utilization trend. MVP's regression analysis concluded the predictive ability of the historical utilization trends was weak and not reliable.

Annual Rx trend factors split by Traditional (Brand and Generic drugs) vs. Specialty drugs are illustrated in Exhibit 2a. These trend factors were supplied by MVP's pharmacy vendor (Express Scripts) and reflect their best estimates of changes to pharmacy costs and utilization. To develop an aggregate Rx trend factor, MVP analyzed the distribution of claims over the experience period within each Rx category. The development of MVP's aggregate Rx trend factor can be found in Exhibit 2b.

Other Adjustments to 2014 Projected Allowed Amount (Rate Filing Exhibit 3)

The following additional adjustments were made to the projected 2014 Allowed Index Rate.

Total Induced Utilization Adjustment due to Benefit Relativity Change (i.e. Actuarial Value Change) - Item B, Exhibit 3
MVP's experience period covered benefit levels reflects an average actuarial value of 72.7%. MVP projects this to increase to 75.0% based on a combination of cost-sharing subsidies available in the Exchange (1.6% of AV increase) and a change in benefit levels available to our existing membership (1.5% of AV increase). The Index rate adjustment factor of 1.2% reflects the increase in the allowed pmpm costs due to the anticipated increase in utilization of services resulting from richer covered benefits on average for the book of business. The adjustment equals the ratio of the induced demand factor included in our benefit pricing model for a 75.0% actuarial value vs. that for a 72.7% actuarial value. The details supporting the two components driving the assumed actuarial value increase from 72.7% to 75.0% are as follows:

1) Benefit Relativity Impact of Cost-Sharing Subsidies
Federal law provides individuals earning less than 250% of the federal poverty level with cost-sharing subsidies. Vermont has proposed to increase this figure to 300% of the federal poverty level to assist its residents transitioning into the Exchange. These subsidies are only available to individuals purchasing a silver metal level plan, and this subsidy will increase the benefit relativity of a silver plan from ~70% to 73% - 94% depending on one's income level. MVP used a study recently published by the Society of Actuaries (http://www.soa.org/files/research/projects/research-cost-aca-excel-v3.pdf) in conjunction with its experience period data to project the percentage of individuals eligible for a subsidy. Appendix A below contains the relevant information from the Society of Actuaries study. Appendix B below illustrates the derivation of the 1.6% assumed actuarial value increase from the base period 72.7% to 73.9%.

2) Benefit Relativity Impact of Metal Level Requirements
Per Federal Law, plans offered in the Exchange must have an actuarial value that falls between 58% - 92%. A number of MVPs benefit plans with enrollment in the experience period fall outside of this range. MVP assumed that members purchasing benefit plans with an actuarial value exceeding 92% would enroll in a platinum plan while members enrolled in benefit plans with an actuarial value less than 58% would enroll in a bronze plan.

Over the experience period, 6.4% of MVP's members were enrolled in plans falling outside of the platinum level with an average actuarial value of 93.3% while 9.9% of the members were enrolled in plans falling outside of the bronze

level with an average actuarial value of 45.8%. Accounting for this adjustment increased the projected 2014 average actuarial value from the base period 72.7% to 73.8% which is an increase of 1.5%.

Index Rate Adjustment Due to Revenue Shortfall from Catastrophic Membership (Item C, Exhibit 3)
Individuals between 0 – 29 years of age are eligible to enroll in a catastrophic plan. As permitted by the Federal ACA regulations, the premium rate for the Catastrophic plan can reflect the age eligibility differences between the catastrophic plan and the metal level plans. However, the Single Risk Pool Index Rate must reflect the entire covered population, including these eligible members, and therefore the premium rates for the Metal Level plans becomes inadequate if individuals choose to enroll in the Catastrophic plan due to the lower premium rates on this plan. This projected revenue shortfall needs to be added back to the Index Rate to ensure total collected premium for the entire risk pool is adequate. MVP is projecting 1.1% of its Exchange membership to enroll in the catastrophic plan which results in a revenue shortfall of 0.6%. Appendix C below contains supporting documentation for this adjustment.

Actuarial Value Pricing model vs Actual Paid to Allowed calibration true up
Benefit pricing models project paid claims from an experience block of allowed claims. The weighted average projected net PMPM paid claim across the experience period covered benefits is compared to the actual paid claims for the experience period. The difference is the necessary calibration adjustment. MVP's model adjustment for the Actuarial values included in this rate development is 4.5%. Adjusting the Allowed Index rate up prior to applying the actuarial values ensures the resulting net paid PMPM cost for each benefit plan is adequate.

Demographic/Morbidity changes to MVP's single risk pool
There was no adjustment made to reflect anticipated changes in the morbidity of MVP's risk pool in 2014. MVP did consider SOA study referenced above which estimates an improvement in the overall morbidity of the non group market and overall merged market in Vermont. However, the study does assume all market reforms are implemented in year 2014 which will not be the case. For this reason, as well as the lack of knowledge of the relative risk position in the Vermont market of our current single risk pool and the significant pricing risk of having to make a payment in the risk transfer formula, MVP did not feel it would be prudent to adjust the projected index rate down.

Risk Adjustment and Reinsurance

Permanent Risk Adjustment Program
No adjustment was made to the Index rate for anticipated receipts from or payments to HHS for this program. There was no market simulation done by the State of Vermont and therefore no basis for assuming anything other than a $0 payment transfer between Carriers.

Individual Temporary Reinsurance Pool
The index rate is being adjusted down by 3.2% to account the anticipated payments from this temporary program in 2014. The adjustment was derived assuming that 9.6% of the individual market claim expense would be reimbursable (80% of amounts per member between $60K and $250K) and that 33.4% of the merged market risk pool would be in the individual exchange.

MVP analyzed the percentage of small group and individual claims falling within this range in 2010, 2011, and 2012 to determine the expected amount received in 2014. The average amount over these three years was 9.6% of paid claims. The expected percentage of membership enrolled in the individual market is based on the SOA study referenced above.

Temporary Risk Corridor
No adjustment was made to the Index rate due to the temporary program.

Actuarial Values

The AV Metal Level for each plan was determined using the Federally prescribed Actuarial Value Calculator in addition to adjustments made outside the calculator for plan features that are not compatible with the calculator. Only two plan features were not compatible: aggregate family deductibles and the State of Vermont Rx OOP maximum requirement. Three of MVP's proposed benefit plans included in this filing required an alternative methodology be

used to adjust the AV from the calculator to arrive at a final AV. MVP contracted Milliman to provide these actuarial certifications and the certification is included with the documents supplementing this filing. The certification identifies the plans and the methodology employed.

The AV Pricing Value for each plan was determined using MVP's in house benefit pricing tools. The pricing tools value the expected net paid claim cost associated with unique benefit plan designs from a starting single risk pool allowed amount. Induced utilization differences between the benefit plans is assumed in the model and these were made consistent with those outlined in the HHS Notice of Benefit and Payment parameters.

Single Conversion Factor and Tier Ratios

Over the experience period, MVP offered small groups the option of purchasing 2-tier, 3-tier, or 4-tier contracts. For 2014, carriers are required to offer only 4-tier contracts and charge the tier ratios dictated by the State of Vermont. MVP mapped its experience period membership into 4-tier contracts to determine the single conversion factor for 2014. The single conversion factor MVP will charge its customers in 2014 equals 1.158 and can be found in Exhibit 4 of the Rate Filing. Premium rates were derived using this single conversion factor together with the standard load ratios prescribed by Vermont.

Retention Loads, Taxes/Assessments, and Paid Claim Surcharges

Exhibit 5 of the Rate Filing summarizes the retention loads and paid claim surcharges MVP will charge in 2014. Note these retention components are broken out into four categories: paid claim surcharges, PMPM taxes and assessments, % of premium fees and assessments, and % of premium retention components.

Temporary Individual Reinsurance Pool
Beginning in 2014, carriers will be assessed a fee to fund the Temporary Reinsurance Pool which supports the individual reinsurance program both in and out of the exchange from 2014 through 2016. In the proposed HHS Notice of Benefit and Parameters for 2014, this fee is $5.25 PMPM.

ACA Insurer Tax
Beginning in 2014, carriers will be taxed based on earned premium. Based on estimates from consultants, this tax will be approximately 2.0% for 2014 dates of service.

Paid Claim Taxes
In addition to the State of Vermont 0.999% tax on paid claims, MVP is subject to New York HCRA taxes which are based on paid claims. The New York HCRA tax is based only on claims paid for services performed by New York hospitals. The New York HCRA load equals 0.25%, consistent with the 1Q/2Q 2013 rate filing.

HHS Risk Adjustment User Fee
Beginning in 2014, carriers will be assessed a fee to fund the administration of HHS Risk Adjustment program being run by HHS. This fee is $0.08 PMPM as stated in the Notice of Benefit and Payment Parameters notice for 2014.

Comparative Effectiveness Research Fee
Prescribed Federal fee equal to $0.17 PMPM to fund the Federal Research Fund.

VT Vaccine Pilot
A Vermont state assessment based on Plan premiums to fund immunizations provided by the state.

General Administrative Expense Load and QI component
A 9.5% administrative load (1.2% for QI, 8.3% for all other) is included in the premium rate to cover MVP's expenses to market, sell and administer health insurance products. MVP is currently working towards improving administrative efficiencies to reduce it operating expenses to align with pricing loads.

Profit Charge

A 1.5% profit charge is added to premium rates as an expected contribution to reserves or protection against adverse experience relative to pricing assumptions.

Development of Rate Tables

Exhibit 6 of the Rate Filing contains a list of premium rates MVP is proposing to charge for each policy form in 2014. Plan specific net claim costs were calculated by multiplying the 2014 index rate times an induced utilization factor times the plan specific actuarial value. To determine a single rate, the net claim cost was grossed up for the retention items shown in Exhibit 5 and multiplied by the single conversion factor developed in Exhibit 4. Non single contract rates were computed using the mandated standard tier ratios.

Note that members purchasing a non-standard plan will receive MVP's Member Wellness Incentive (Form: FRVT-300). This benefit provides adult members with up to $200 per year in incentives. MVP projects the net cost of this benefit to equal $2.79. This figure was derived by analyzing the percentage of MVP's membership eligible to receive the benefit (83.6%) times the projected utilization of the benefit (20%) times $200. The 20% utilization rate is consistent with the utilization rate assumed for similar benefits offered in MVP's Healthy Lifestyle Rider filing approved on 12/19/2012 (VFN: 61884). This additional cost was added to the plan specific values as another plan specific adjustment.

An additional plan level adjustment was applied to the Catastrophic plan to account for the unique age eligibility requirements as permitted by the Federal ACA Rules. This factor adjustment was equal to .549. The derivation of this factor is explained in Appendix C below.

Company Financial Position

Included in the Supplemental exhibits is MVP's Risk Based Capital information. MVP Health Care is well positioned for growth.

Supplemental Exhibits

Also included with this filing is 36 months incurred medical claims, prescription drug claims, premium information, membership data, financial data, and benefit relativity data. Four separate files were compiled for this filing: small group data, Catamount data, Agriservices data, and Individual Indemnity data. The data includes claim runoff through 1/31/2013 plus an adjustment for IBNR. This data will be refreshed and re-run with each filing. Therefore, historical figures are subject to change due to retroactive claims administration as well as changes due to runoff and IBNR differences. Also note that the benefit relativity data was refreshed from previous filings to align with changes MVP made in the slope (induced demand) assumptions used in our benefit pricing models for purposes of this new product filing. The slope assumptions were modified to align with those published by HHS in the final 2014 Notice of Benefit and Payment Parameters.

Loss Ratios

The target pricing loss ratios included in these proposed premium rates comply with Federal and State requirements. The projected Federal MLR reflected in these premium rates is 91.0% and derived in the table below.

Non Claim Expense Categories	Included in Federal MLR	Type of Load	2014 Premium Rates
General Admin (excluding QI Expenses)	Y	% premium	8.3%
Profit Margin	Y	% premium	1.5%
Broker Load	Y	% premium	**0.0%**
Administrative Expenses for QI	N	% premium	1.2%
State Premium Tax	N	% premium	**0.0%**
Federal ACA Insurer Fees	N	% premium	2.0%
VT Vaccine Pilot(2012 actual)	Y	% premium	0.44%
VT Paid Claim Surcharges	Y	% paid claims	1.0%
NY HCRA Claim Surcharges	Y	% paid claims	0.25%
Federal HHS Risk Adjustment User Fees	N	PMPM	$0.08
Federal Reinsurance Contribution Rate	N	PMPM	$5.25
Comparative Eff Research Tax	N	PMPM	$0.17

Assumed Net Index Rate (Allowed Medical Costs)	$459.00
Assumed Average Actuarial Value	0.750
Assumed Net Incurred Claims	$344.11
Assumed Net Incurred Claims plus State claim taxes	*$350.22*
	0
Total Projected Gross Premium	$408.87

Target Traditional MLR (incurred claims+paid claim taxes/earned premium)	85.7%

Adjusted Medical Expense (QI expenses added/paid clm tax removed)	$355.12
Adjusted Premium (Fed&State non claims taxes/fees removed)	$390.28

Target Federal MLR	91.0%

Reliance

I relied upon the Actuarial Certifications for the Metal Level of several proposed non standard plans as well as the Actuarial Certification of the EHB substitution for the Private Duty Nursing annual benefit limit provided by Howard Kahn from Milliman Consulting. In addition, I relied on him for estimates of the cost of specific benefit expansions included in the EHB.

Actuarial Certification

I, Kathleen Fish, am a Member of the American Academy of Actuaries. The projected Index Rate used in the development of these proposed premium rates is in compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.80(d)(1)) and developed in compliance with the applicable Actuarial Standards of Practice. I have examined the assumptions and methods used in determining MVP's requested rates. Based on my review and examination, it is my opinion that the proposed premium rates are reasonable in relation to the benefits provided and that they are neither excessive, inadequate, nor unfairly discriminatory. They are developed using only the permitted rating classifications. The Index Rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates. The Standard AV Calculator was used to determine the Metal AV Value to be show in Worksheet 2 of the Part I Unified Rate Review template for all the plans except those specified in the attached certification by Milliman.

I certify that I am knowledgeable as to the Vermont laws and regulations that apply to this filing and that, to the best of my knowledge and belief, this filing is in compliance with such laws and regulations and provides all required benefits.

I am of the opinion that this filing is in compliance with the applicable Federal and State Laws and Regulations concerning the PPACA and the HCERA of 2010.

I certify that each rate filing has been prepared in accordance with the following; ASOP#8, ASOP#26, ASOP#31 and ASOP#41.

3/25/2013

Kathleen Fish, FSA, MAAA
Director of Actuarial Services
MVP Health Insurance Company

Date

Appendix A - Society of Actuaries Study

Utility Model – Lewin Baseline ACA Model

Figure 1- Changes in Sources of Coverage under the ACA in Vermont in 2014 HOME

Baseline Coverage	Total	Employer Exchange	Individual Exchange	Private Employer	Private Non-Group	Medicare/ TRICARE	Medicaid/ CHIP	Uninsured
Employer 2-50	82,239	24,992	4,110	51,554	25	9	1,039	510
Employer 51-100	15,479	2,906	502	11,887	2	13	30	139
Employer 101+	220,233	-	5,345	212,398	42	106	1,108	1,233
High Risk Pool	-	-	-	-	-	-	-	-
Other Non-Group	15,376	300	6,834	798	4,182	-	200	3,062
Retiree	7,347	-	-	6,657	-	-	690	-
TRICARE	9,089	-	-	-	-	9,089	-	-
Medicare	85,488	-	-	-	-	85,488	-	-
Dual Eligible	22,238	-	-	-	-	22,238	-	-
Medicaid/CHIP	100,654	1,122	6,282	2,854	50	4	90,343	0
Uninsured	88,148	3,376	24,955	7,457	-	-	10,245	42,115
% of Currently Uninsured		3.8%	28.3%	8.5%	0.0%	0.0%	11.6%	47.8%
Total	**646,290**	**32,695**	**48,029**	**293,606**	**4,300**	**116,946**	**103,655**	**47,059**

Utility Model – Lewin Baseline ACA Model

Figure 1A- Changes in Morbidity under the ACA in Vermont in 2014 HOME

Baseline Coverage	Pre-ACA PMPM	Employer Exchange	Individual Exchange	Private Employer	Private Non-Group	Medicare/ TRICARE	Medicaid/ CHIP	Uninsured
Employer 2-50	$ 553.72	$ 595.96	$ 560.41	$ 491.21	$ 238.27	$ 670.10	$ 1,878.06	$ 311.29
Employer 51-100	$ 570.12	$ 486.19	$ 893.60	$ 574.84	$ 623.33	$ 141.30	$ 184.78	$ 208.80
Employer 101+	$ 621.75	$ -	$ 920.91	$ 609.18	$ 1,352.22	$ 1,887.24	$ 526.83	$ 383.69
High Risk Pool	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Non-Group	$ 587.24	$ 364.94	$ 602.64	$ 458.00	$ 680.27	$ -	$ 705.03	$ 378.07
Retiree	$ 178.56	$ -	$ -	$ 173.35	$ -	$ -	$ 1,623.78	$ -
TRICARE	$ 576.65	$ -	$ -	$ -	$ -	$ 576.55	$ -	$ -
Medicare	$ 838.14	$ -	$ -	$ -	$ -	$ 838.14	$ -	$ -
Dual Eligible	$ 1,189.07	$ -	$ -	$ -	$ -	$ 1,189.82	$ -	$ -
Medicaid/CHIP	$ 520.95	$ 594.25	$ 405.69	$ 700.01	$ 84.61	$ 892.70	$ 533.15	$ 21.00
Uninsured	$ 183.22	$ 277.26	$ 525.40	$ 288.46	$ -	$ -	$ 498.22	$ 102.24
Total	**$ 578.00**	**$ 551.12**	**$ 571.60**	**$ 569.52**	**$ 677.36**	**$ 885.55**	**$ 550.60**	**$ 130.14**

Utility Model – Lewin Baseline ACA Model

Appendix A - Society of Actuaries Study

Utility Model – Lewin Baseline ACA Model

Figure 2- Changes in Sources of Coverage under the ACA for Currently Uninsured in Vermont in 2014 HOME

	Total	Employer Exchange	Individual Exchange	Private Employer	Private Non-Group	Medicaid/ CHIP	Remain Uninsured	% Remain Uninsured
Age								
Under 19	15,100	672	3,466	898	-	1,887	8,176	54.1%
19-24	12,341	593	3,031	1,807	-	2,020	4,891	39.6%
25-34	19,278	840	5,233	1,444	-	2,427	9,334	48.4%
35-44	16,106	633	4,349	1,182	-	1,598	8,344	51.8%
45-54	13,726	378	4,540	1,347	-	913	6,547	47.7%
55 & over	11,597	259	4,337	779	-	1,400	4,823	41.6%
Poverty Level								
Below 138% FPL	22,369	685	306	1,183	-	6,971	13,223	59.1%
138%-199% FPL	16,052	418	6,509	1,619	-	1,871	5,634	35.1%
200%-299% FPL	18,690	883	9,425	1,575	-	798	6,008	32.1%
300%-399% FPL	13,278	926	5,709	929	-	351	5,364	40.4%
400% FPL and above	17,760	464	3,006	2,151	-	254	11,886	66.9%
Self Reported Health Status								
Excellent	69,334	2,762	18,743	6,031	-	7,921	33,877	48.9%
Good	14,971	532	4,962	1,145	-	1,628	6,704	44.8%
Fair	2,884	80	784	249	-	454	1,318	45.7%
Poor	959	3	466	32	-	242	216	22.5%
Total	**88,148**	**3,376**	**24,955**	**7,457**	**-**	**10,245**	**42,115**	**47.8%**

Utility Model – Lewin Baseline ACA Model

Figure 3- Change in Cost for Newly Insured under the ACA in Vermont in 2014 HOME

	Number Newly Insured Under ACA	Average Monthly Cost Pre-ACA	Average Monthly Cost Post-ACA	Percent Change in Average Costs
Age				
Under 19	6,924	$ 93.63	$ 224.35	139.6%
19-24	7,450	$ 161.77	$ 270.88	67.5%
25-34	9,944	$ 233.59	$ 367.71	57.4%
35-44	7,762	$ 280.56	$ 464.65	65.6%
45-54	7,178	$ 253.74	$ 446.61	76.0%
55 & over	6,775	$ 539.26	$ 1,071.99	98.8%
Poverty Level				
Below 138% FPL	9,145	$ 321.08	$ 562.04	75.0%
138%-199% FPL	10,417	$ 273.89	$ 524.03	91.3%
200%-299% FPL	12,682	$ 220.08	$ 384.60	74.8%
300%-399% FPL	7,914	$ 206.06	$ 396.81	92.6%
400% FPL and above	5,874	$ 275.30	$ 457.25	66.1%
Self Reported Health Status				
Excellent	35,457	$ 157.52	$ 281.75	78.9%
Good	8,267	$ 400.84	$ 669.35	67.0%
Fair	1,567	$ 531.52	$ 1,059.42	99.3%
Poor	743	$ 2,823.22	$ 5,546.57	96.5%
Total	**46,033**	**$ 256.96**	**$ 462.77**	**80.1%**

Utility Model – Lewin Baseline ACA Model

Appendix A - Society of Actuaries Study

Utility Model – Lewin Baseline ACA Model

Figure 4- Change in Spending for the Uninsured as a Percent of Total Spending (millions) in Vermont in 2014 HOME

Type of Service	Spending Under Current Law by Insured Population	Spending Under Current Law by Uninsured Population	Increase in Spending Under ACA by Newly Insured	Percent Change in System-Wide Spending
Hospital Inpatient	$1,565.9	$72.1	$36.9	2.3%
Physician	$1,306.8	$58.5	$32.7	2.4%
Dental	$291.6	$14.9	$0.5	0.2%
Other Professional	$194.8	$10.8	$4.5	2.2%
Prescription Drugs	$631.6	$31.5	$11.5	1.7%
Medical Equipment	$53.2	$3.8	$1.7	3.0%
Hospital Outpatient	$860.0	$47.3	$19.2	2.1%
Total	**$4,903.9**	**$238.9**	**$107.0**	**2.1%**
Population	558,142	88,148	46,033	
Spending Per Person	$8,786.1	$2,710.2	$2,324.4	

Utility Model – Lewin Baseline ACA Model

Figure 5- Change in Average Costs in the Non-Group Market under ACA in Vermont in 2014 HOME

	Membership	Average Cost Per Month	Average Age	Percent with Chronic Condition
Current High Risk	**0**	**$0**	**0**	**0.0%**
Current Other Non-Group	**15,376**	**$587**	**39**	**23.4%**
Leave Non-Group	4,360	$407	37	12.1%
Retain Non-Group				
In Exchange High Risk	-	$0	0	0.0%
In Exchange Other	6,834	$603	39	26.2%
Outside Exchange	4,182	$680	39	30.5%
Leave Other Coverage to take Non-Group				
Employer 2-50	4,135	$558	35	26.4%
Employer 51-100	504	$892	37	29.7%
Employer 101+	5,387	$924	35	34.8%
Medicaid/CHIP	6,332	$403	33	27.7%
Uninsured	24,955	$525	36	31.9%
Non-Group under ACA	**52,329**	**$580**	**36**	**30.4%**

Utility Model – Lewin Baseline ACA Model

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Utility Model – Lewin Baseline ACA Model

Figure 6- Distribution of Non-Group Coverage Pre- and Post-ACA in Vermont in 2014 HOME

	Non-Group under Current Law			Non-Group under ACA			
	Number	Percent Distribution	Average Monthly Cost	Number	Percent Distribution	Average Monthly Cost	Change in Avg Mo Cost
Age							
Under 19	2,650	17.2%	$247	7,307	14.0%	$199	-19.6%
19-24	1,510	9.8%	$248	7,273	13.9%	$244	-1.7%
25-34	2,130	13.9%	$321	9,748	18.6%	$405	26.2%
35-44	1,941	12.6%	$563	9,306	17.8%	$461	-18.2%
45-54	2,866	18.6%	$854	9,343	17.9%	$787	-7.9%
55 & Over	4,280	27.8%	$882	9,352	17.9%	$1,236	40.1%
Average Increase per Person							4.4%
Family Income in Month as a Percent of the Federal Poverty Level (FPL)							
Below 138% FPL	2,553	16.6%	$843	3,489	6.7%	$628	-25.5%
138%-200% FPL	1,379	9.0%	$889	11,712	22.4%	$618	-30.5%
200%-300% FPL	2,550	16.6%	$437	15,837	30.3%	$530	21.3%
300%-400% FPL	2,161	14.1%	$369	9,672	18.5%	$458	24.1%
400% FPL and Over	6,733	43.8%	$555	11,619	22.2%	$698	25.7%
Self-reported Health Status							
Excellent	13,366	86.9%	$463	41,329	79.0%	$375	-19.2%
Good	1,729	11.2%	$1,304	9,057	17.3%	$863	-33.8%
Fair	246	1.6%	$1,436	1,357	2.6%	$2,141	49.0%
Poor	35	0.2%	$6,531	586	1.1%	$7,102	8.7%
Total	**15,376**	**100%**	**$587**	**52,329**	**100%**	**$580**	**-1.2%**

Utility Model – Lewin Baseline ACA Model

Figure 6A- Distribution of Non-Group Coverage (Exluding High-Risk) Pre- and Post-ACA in Vermont in 2014 HOME

	Non-Group under Current Law			Non-Group under ACA			
	Number	Percent Distribution	Average Monthly Cost	Number	Percent Distribution	Average Monthly Cost	Change in Avg Mo Cost
Age							
Under 19	2,650	17.2%	$247	7,307	14.0%	$199	-19.6%
19-24	1,510	9.8%	$248	7,273	13.9%	$244	-1.7%
25-34	2,130	13.9%	$321	9,748	18.6%	$405	26.2%
35-44	1,941	12.6%	$563	9,306	17.8%	$461	-18.2%
45-54	2,866	18.6%	$854	9,343	17.9%	$787	-7.9%
55 & Over	4,280	27.8%	$882	9,352	17.9%	$1,236	40.1%
Average Increase per Person							4.4%
Family Income in Month as a Percent of the Federal Poverty Level (FPL)							
Below 138% FPL	2,553	16.6%	$843	3,489	6.7%	$628	-25.5%
138%-200% FPL	1,379	9.0%	$889	11,712	22.4%	$618	-30.5%
200%-300% FPL	2,550	16.6%	$437	15,837	30.3%	$530	21.3%
300%-400% FPL	2,161	14.1%	$369	9,672	18.5%	$458	24.1%
400% FPL and Over	6,733	43.8%	$555	11,619	22.2%	$698	25.7%
Self-reported Health Status							
Excellent	13,366	86.9%	$463	41,329	79.0%	$375	-19.2%
Good	1,729	11.2%	$1,304	9,057	17.3%	$863	-33.8%
Fair	246	1.6%	$1,436	1,357	2.6%	$2,141	49.0%
Poor	35	0.2%	$6,531	586	1.1%	$7,102	8.7%

Appendix A - Society of Actuaries Study

Utility Model – Lewin Baseline ACA Model

Figure 7- Distribution of Uninsured Pre- and Post-ACA in Vermont in 2014

HOME

	Uninsured under Current Law			Remain Uninsured under ACA			
	Number	Percent Distribution	Average Monthly Cost	Number	Percent Distribution	Average Monthly Cost	Change in Avg Mo Cost
Age							
Under 19	15,100	17.1%	$68	8,176	19.4%	$45	-33.0%
19-24	12,341	14.0%	$137	4,891	11.6%	$100	-27.0%
25-34	19,278	21.9%	$164	9,334	22.2%	$89	-45.8%
35-44	16,106	18.3%	$192	8,344	19.8%	$109	-43.1%
45-54	13,726	15.6%	$189	6,547	15.5%	$118	-37.8%
55 & Over	11,597	13.2%	$396	4,823	11.5%	$194	-51.0%
				Average Increase per Person			-39.9%
Family Income in Month as a Percent of the Federal Poverty Level (FPL)							
Below 138% FPL	22,369	25.4%	$206	13,223	31.4%	$126	-38.9%
138%-200% FPL	16,052	18.2%	$207	5,634	13.4%	$84	-59.6%
200%-300% FPL	18,690	21.2%	$172	6,008	14.3%	$69	-59.6%
300%-400% FPL	13,278	15.1%	$152	5,364	12.7%	$71	-53.0%
400% FPL and Over	17,760	20.1%	$169	11,886	28.2%	$115	-31.6%
Self-reported Health Status							
Excellent	69,334	78.7%	$121	33,877	80.4%	$83	-31.6%
Good	14,971	17.0%	$287	6,704	15.9%	$146	-49.2%
Fair	2,884	3.3%	$450	1,318	3.1%	$353	-21.6%
Poor	959	1.1%	$2,244	216	0.5%	$251	-88.8%
Total	**88,148**	**100%**	**$183**	**42,115**	**100%**	**$102**	**-44.2%**

Utility Model – Lewin Baseline ACA Model

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Utility Model – Lewin Baseline ACA Model

Figure 8- Change in Medicaid Enrollment and Costs under the ACA in Vermont in 2014 HOME

	Membership	Costs PMPM
Current Program	100,654	$479
Leave Medicaid for other Coverage		
Children	(1,666)	$282
Parents/Other	(8,646)	$425
Currently Eligible		
Children	1,865	$389
Parents/Other	5,881	$488
Newly Eligible		
Parents/Other	807	$454
Non-Custodial Adults	4,759	$893
All Newly Eligible	5,566	$829
Total Net Change	**3,001**	

Utility Model – Lewin Baseline ACA Model

Figure 9- Distribution of Medicaid Enrollees Pre- and Post-ACA in Vermont in 2014 HOME

	Covered by Medicaid under Current Law			Covered by Medicaid under ACA			Change in Covered
	Number	Percent Distribution	Average Monthly Cost	Number	Percent Distribution	Average Monthly Cost	Number
Age							
Under 19	49,822	49.5%	$270	50,105	48.3%	$274	0.6%
19-24	11,350	11.3%	$535	11,055	10.7%	$524	-2.6%
25-34	12,219	12.1%	$571	12,889	12.4%	$587	5.5%
35-44	11,353	11.3%	$645	11,144	10.8%	$694	-1.8%
45-54	8,184	8.1%	$955	8,308	8.0%	$965	1.5%
55 & Over	7,726	7.7%	$1,396	10,155	9.8%	$1,399	31.4%
Family Income in Month as a Percent of the Federal Poverty Level (FPL)							
Below 138% FPL	59,061	58.7%	$556	66,889	64.5%	$604	13.3%
138%-200% FPL	18,185	18.1%	$367	16,715	16.1%	$341	-8.1%
200%-300% FPL	14,045	14.0%	$606	12,346	11.9%	$618	-12.1%
300%-400% FPL	4,556	4.5%	$554	3,736	3.6%	$438	-18.0%
400% FPL and Over	4,807	4.8%	$392	3,970	3.8%	$426	-17.4%
Self-reported Health Status							
Excellent	76,753	76.3%	$297	78,560	75.8%	$303	2.4%
Good	17,005	16.9%	$896	17,536	16.9%	$967	3.1%
Fair	5,350	5.3%	$1,643	5,790	5.6%	$1,639	8.2%
Poor	1,546	1.5%	$3,648	1,770	1.7%	$3,840	14.5%
Total	**100,654**	**100%**	**$521**	**103,655**	**100%**	**$551**	**3.0%**

Utility Model – Lewin Baseline ACA Model

Appendix B – Supporting Documentation for Cost-Sharing Reductions

Using figure 6 of the Lewin Baseline ACA Model included in Appendix A, MVP estimates the following distribution of membership by income level in 2014:

Projected Individual Membership by Income Level in 2014 – Table 1

Income Level	% of Members	Subsidized AV
138% FPL --> 150% FPL	11.0%	94%
150% FPL --> 200% FPL	18.1%	87%
200% FPL --> 250% FPL	15.1%	77%
250% FPL --> 300% FPL	15.1%	73%
300% FPL --> 400% FPL	18.5%	70%
> 400% FPL	22.2%	n/a
Total	100.0%	n/a

In situations where the Lewin Model did not provide income level projections that corresponded to the above table, MVP assumed a uniform distribution of membership by FPL. For example, the Lewin Model projects 30.2% of the 2014 membership in VT will fall between 200% - 300% of the FPL. Because the cost-sharing subsidy levels change at 250% and 300% of FPL, MVP assumed half of 30.2% would fall between 200% - 250% FPL while the other half would fall between 250% - 300% FPL. MVP also assumed that membership by income level was consistent between group and individual business.

To establish a baseline Actuarial Value for purposes of quantifying this impact on the Index Rate, MVP mapped the inforce experience period membership to each metal level in Table 2. For the mapping each benefit plan was mapped to the closest metal level actuarial values defined to be 0.90 for Platinum, 0.80 for Bronze, etc..

Experience Period Membership by Metal Level – Table 2

Metal Level	% of Members	AV
Platinum	17.3%	0.90
Gold	9.1%	0.80
Silver	47.3%	0.70
Bronze	26.3%	0.60
Baseline Avg	100.0%	0.717

Table 3 below illustrates MVP's projection of enrollment in the individual market by metal level due to cost-sharing subsidies as well as the overall impact on the 2014 projected benefit relativity. For the purpose of this analysis MVP assumed the distribution of individual membership by metal level was equal to the metal level distribution of the entire risk pool.

To project the change in individual market enrollment by metal level due to cost-sharing subsidies, MVP assumed the following. MVP assumed that 3.3% of its individual market would enroll in the catastrophic plan (Appendix C below, adjusted to reflect enrollment as a percentage of individual market). Next, MVP assumed that any member not enrolled in a catastrophic plan and eligible for a cost-sharing subsidy will purchase a silver plan while members between 300% - 400% FPL that receive a premium subsidy, but not a cost-sharing subsidy, will purchase a bronze plan. To project Platinum and Gold membership we assumed that only individuals > 400% FPL and not eligible for the Catastrophic plan, would stay in these plans.

For example, the projected platinum enrollment in Table 3 (3.7%) equals 17.3% (Table 2) times 22.2% (Table 1) times 1 minus the projected catastrophic enrollment in the individual market. Overall, MVP projects the individual market actuarial value to increase from the baseline 0.717 (Table 1) to 0.752 (Table 3).

Projected Enrollment for Individual Market by Metal Level in 2014 - Table 3

	Proj. Indiv. Mkt Enrollment	Effective Actuarial Value
Projected Platinum Membership %	3.7%	0.90
Projected Gold Membership %	1.9%	0.80
Projected Silver Membership % (Table 4)	67.5%	0.80
Projected Bronze Membership %	23.5%	0.60
Projected Catastrophic Membership % (Appendix C)	3.3%	0.60
Weighted Avg AV in Individual Market	75.2%	
Projected Enrollment Individual Market (Appendix C)	33.4%	
AV for Group Market (Table 2)	0.717	
Projected Enrollment in Group Market	66.6%	
Projected Actuarial Value of Merged Risk Pool	0.729	
Overall Adjustment to Index Rate Actuarial Value	**1.6%**	

Individual Market, Silver Membership, Broken Out by Subsidy Level - Table 4

Cost-Sharing Subsidized Actuarial Value	Projected Enrollment
0.94	10.6%
0.87	17.5%
0.77	14.6%
0.73	14.6%
0.70	10.2%
0.80	67.5%

Appendix C – Supporting Documentation for Impact of Catastrophic Membership on Required Revenue

MVP used its experience period membership in conjunction with the Lewin Model from the SOA study (Appendix A) to project catastrophic plan enrollment in 2014. MVP assumed that members in the individual market, not eligible for a cost-sharing subsidy, and between ages 0-29 with a subscriber under age 30 would enroll in the catastrophic plan. Although all members under the age of 30 in the individual exchange are eligible to enroll in the catastrophic plan, MVP assumed that members attached to a subscriber over the age of 30 would enroll in a family plan.

MVP projects 33.4% of its Exchange membership to enroll in the Individual Market using enrollment projections summarized below taken from Figure 1 of Appendix A.

Baseline Coverage	Group Exchange	Individual Exchange	Total
Employer 2-50	76,546	4,135	80,680
Other Non-Group	1,098	11,016	12,114
Medicaid/CHIP	3,976	6,332	10,308
Uninsured	10,833	24,955	35,788
Total	92,453	46,438	138,890
% of Total	66.6%	33.4%	

Using Figure 6 of Appendix A, MVP projects 37.2% of the individual market to be under the age of 30. MVP assumed half of the members in the 25-34 year old cohort are between ages 25-29 while the other half are 30-34 years old. Based on the projected enrollment by FPL shown in Appendix B, MVP projects 40.7% of VT Exchange members will not be eligible for a cost-sharing subsidy. MVP used its experience period enrollment to capture the percentage of members under age 30 attached to a subscriber also under the age of 30. Over the experience period, this equaled 22.0%.

Projected Members in Catastrophic Market in 2014

**Assumption is that members in the individual market, not eligible for a cost-sharing subsidy, and between ages 0-29 with a subscriber under age 30 will purchase catastrophic coverage*

Projected % of Exchange Membership in Individual Market	33.4%
Projected % of Individual Exchange between 0 - 29	37.2%
Projected % of Individual Exchange with > 300% FPL	40.7%
% of members between 0 - 29 attached to a subscriber < 30	22.0%
Total	1.1%

Next, MVP used its experience period membership by metal level (Appendix B) along with its "Index Rate Excluding Taxes/Assessments, Prior to Adjustments" (Item A of Exhibit 3 in the Rate Filing) to project the net revenue collected at each metal level. Note the projected net revenue at each metal level equals the Index Rate Prior to Adjustments times Induced Utilization times the Metal Level actuarial value. The member weighted average of these values projected the net revenue collected prior to the catastrophic plan being offered.

To project the revenue shortfall due to the catastrophic plan being offered, MVP assumed 1.1% of the experience period membership would enroll in a catastrophic plan and reduced the membership in each other metal level by 1.1%. The projected revenue was calculated using the same logic as described above, but an adjustment was made to reflect the expected age/gender factor of the members that would enroll in the plan. Using the age/gender factors provided by Oliver Wyman, the experience period age/gender factor for MVP's entire risk pool equaled 1.33 while the age/gender factor for the members expected to enroll in the catastrophic plan equaled 0.73. Therefore, the catastrophic premium

was adjusted by a factor of 0.549 (= 0.73 / 1.33). In aggregate, this results in a revenue shortfall of 0.6%. The tables below provide illustrative support of MVP's calculations.

Index Rate = $459.00

Current State: No members are enrolled in Catastrophic Plan

Metal Level	% of Members	Net Revenue PMPM
Platinum	17.3%	$454.75
Gold	9.1%	$375.78
Silver	47.3%	$313.96
Bronze	26.3%	$261.21
Catastrophic	0.0%	$0.00
Total	100.0%	$330.09

Projected Future State: Indiv Mkt Members Age 0 - 29 with Subscriber Age < 30 and not eligible for a Cost-Sharing Subsidy Purchase Catastrophic Plan

Metal Level	% of Members	Net Revenue PMPM
Platinum	17.1%	$454.75
Gold	9.0%	$375.78
Silver	46.8%	$313.96
Bronze	26.0%	$261.21
Catastrophic	1.1%	$143.60
Total	100.0%	$328.01

% Revenue Shortfall from Current State	**-0.6%**

Certification of Compliance
I hereby certify that I have reviewed the applicable filing requirements for this filing and the filing complies with all applicable statutory and regulatory provisions for the state of Vermont.
Print Name: Mark A. Fish Title: Executive Vice President & CFO
Signature: Mark A. Fish Date: 03/22/2013

Health Filing Form F106 (03/08)
Required Information for all filings & the Fee

NAIC#: 95521
Company Name: MVP Health Plan Incorporated
Address: 625 State Street
City, State, Zip: Schenectady, NY 12308
Phone: 518-388-2483 Contact Person: Matt Lombardo

Filing Contents:

1) ____ New _X__ Change
If Change: Latest Approval Date: 11/27/2012 Vermont Filing Number (VFN) 61220

2) _X_ Rates: ___ Forms:

3) ___ Policy _X_ Contract __ _ Amendment ___ Endorsement
___ Handbook ___ Rider ___ Certificate ___ Other _____

4) _X__ Individual _X_ Small Groups ___ Large Group (51+) ___ All Groups

Type of Filing:

___ Accident Only	___ Dental	___ Miscellaneous
___ AD&D	___ Disability	___ Nursing Home Only
___ Advertising	___ Home Health Only	___Organ Transplant
___ Blanket	___ Hospital Indemnity	___ Prescription Drug
___ Cancer Expense	___ Limited Benefit	___ Student/Athlete
___ Comprehensive	___ Long Term Care:	___ Stop Loss/Excess Risk
_X Major Medical	___ Qualified	___ Travel
___ Conversion	___ Non-Qualified	___ Vision
___ Critical Illness	___ Medicare Supplement	___ Other:_____

Mandatory – Filing Fee Information:

1. State of Domicile: New York
2. Amount of Fee: $50.00
3. Is the Fee you are sending based on your state of domicile's retaliatory fee? ___Yes _X_ No
4. Explain how each part of the Fee was determined, showing all calculation (use separate sheet if necessary).
   filing Fee in accordance with 8 VSA 4062a
5. Fee calculated by: Matt Lombardo
   (Print Name)

   (Signature)

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March 18, 2013

To Kathleen Fish, Matt Lombardo (MVP)
From Howard Kahn (Milliman)
Subject Vermont EHB Pricing

As requested, we have estimated the cost of the following benefits included by Vermont in its Essential Health Benefits (EHB) package:

- Private duty nursing
- Sterilization Reversal
- Couples therapy
- Wigs
- Pediatric vision

MVP Health Care's (MVP) does not currently offer these benefits in Vermont.

In addition, we have:

- Estimated the annual visit limit equivalent to an annual $2,000 limit for private duty nursing.
- Estimated the impact of removing contractual limits on days in a skilled nursing facility (SNF) and home health care visits.

Results

Our estimates for the incremental 2014 allowed Per Member Per Month (PMPM) cost, assuming a standard population, for each of the additional benefits are:

Benefit	Estimated 2014 Allowed PMPM
Private Duty Nursing	$0.31
Sterilization Reversal	$0.00
Couples Therapy	$0.60
Wigs	$0.02
Pediatric Vision	$1.46

In addition, we estimate:

- A 4 visit annual limit is equivalent to a $2,000 annual limit for private duty nursing in 2014.
- Increasing SNF day limits of 30, 45, 60, and 120 to unlimited results in an insignificant increase to the paid PMPM.
- Increasing home health visit limits of 40, 60, and 200 to unlimited results in an insignificant increase to the paid PMPM.

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Methodology

Private Duty Nursing

Using the 2010 Truven Health Analytics MarketScan Commercial database (MarketScan)[1] for the Northeast region we identified all claims for the following codes provided by MVP with a place of service equal to 12:

- HCPCS
  - S9123
  - S9124
  - T1000
  - T1002
  - T1003
  - T1030
  - T1031

We trended the resulting per member amount by the secular trend for professional service of 6% per year recommended by Milliman's Health Cost Guidelines (HCGs)[2] for 4 years.

Sterilization Reversal

Using the 2010 MarketScan Commercial database we identified all claims for the following codes provided by MVP:

- HCPCS
  - 55400
  - 58750
  - 58752
  - 58760
  - 58770
- ICD-9 Diagnosis Codes (primary position)
  - V26.0
  - V26.22

[1] This database contains all paid claims generated by approximately 35 million commercially insured lives. The MarketScan database represents the inpatient and outpatient healthcare service use of individuals nationwide who are covered by the benefit plans of large employers, health plans, government, and public organizations. The MarketScan database links paid claims and encounter data to detailed patient information across sites and types of providers, and over time. The annual medical database includes private sector health data from approximately 100 payers.

[2] The HCGs are a cooperative effort of all Milliman health actuaries and represent a combination of their experience, research and judgment. An extensive amount of data is used in developing the HCGs and that data is updated annually. The HCGs provide a flexible but consistent basis for the determination of health claim costs and premium rates for a wide variety of health plans. The HCGs are developed as a result of Milliman's continuing research on health care costs. First developed in 1954, the HCGs have been updated and expanded annually since that time. The HCGs are continually monitored as they are used in measuring the experience or evaluating the rates of health plans, and as they are compared to other data sources.

- ICD-9 Procedure Codes
  - 63.82
  - 66.79

The total number of services for these codes in nationwide 2010 MarketScan was insignificant with a resulting allowed PMPM of almost $0.00. Therefore, we estimate that the addition of this benefit will not materially increase claims costs.

Couples Therapy

Using the 2010 MarketScan Commercial database we identified all claims for the following codes:

- HCPCS
  - 90847
  - 99510
- ICD-9 Diagnosis Code (primary position)
  - V61.10

We refined the list of codes provided by MVP to include only codes which we believe represent couple therapy services.

We trended the resulting per member amount by the secular trend for professional service of 6% per year recommended by Milliman's HCGs for 4 years and applied the psychiatric area factor of 1.04 recommended by Milliman's HCGs for Vermont.

Wigs

Vermont is including wigs in its EHB when hair loss is due to disease or chemotherapy. Since wigs are not a commonly offered benefit, we are unable to derive credible utilization rates from the MarketScan database. Instead, we refer to other published literature to estimate the incremental cost for wigs due to chemotherapy, assuming no additional cost for other diseases:

2014 Allowed Wig PMPM Development		**Source**
Cancer Incidence (Under 65)	0.22%	http://seer.cancer.gov/statfacts/html/all.html
Probability of Losing Hair Under Chemo	65%	http://www.derma-haarcenter.ch/files/Directory/Publikationen/Chemotherapy.pdf
Percent Female	48%	http://seer.cancer.gov/statfacts/html/all.html
2014 Unit Cost for Wigs	$379.31	2010 Nationwide MarketScan (HCPCS A9282, trended annually at 6%)
2014 PMPY	$0.26	
2014 PMPM	**$0.02**	

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Pediatric Vision

Vermont is including pediatric vision (to age 21) in its EHB:

- 1 vision exam per year
- $150 per year for vision hardware

We priced out the additional allowed PMPM cost for these benefits by calibrating our 2013 HCGs to Vermont and assuming 120% of Medicare reimbursement.

Annual visit limit for private duty nursing

To convert an annual dollar limit to an annual visit limit for private duty nursing services, we develop a claims probability distribution from 2010 MarketScan for Northeast states. We used the codes described above to identify private duty nursing procedures.

The probability distribution table shown in Exhibit 1 represents 2010 claims trended by the secular trend for professional service of 6% per year recommended by Milliman's HCGs for 4 years. The table estimates the probability that the allowed cost for a private duty nursing visit will fall within certain ranges.

Based on a simulation of 10,000 trials, we estimated that 4.20 visits on average will exceed $2,000.

Benefit Relativities for increased contractual limits on skilled nursing facility (SNF) and home care

MVP currently offers plans in Vermont that have:

- SNF day limits of 30, 45, 60 and 120
- Home health care visit limits of 40, 60 and 200

Using the 2013 SNF length of stay tables found in the HCGs, adjusted for Milliman's standard plan design (80/20 coinsurance with a $500 deductible) and Vermont's utilization and unit cost, we estimate an insignificant increase in total estimated paid PMPM amounts if the limit for day in SNF is removed.

Since the HCGs do not have home health care visit distributions, we developed a probability distribution for members utilizing home health care from 2010 MarketScan for Northeast states. Based on these results, we estimate an insignificant increase in total estimated paid PMPM amounts if the limit for home health care visits is removed.

Data Reliance

We relied on the following files provided by MVP:

- VermontNewBenefits.pdf
- Codes for VT Exchange Benefits.xlsx

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Additional Notes and Caveats

Our models are based on the assumptions listed above and the data you have provided to us. If you believe any of our assumptions are incorrect, please let us know and we will amend our models accordingly. Actual experience will vary from expected.

This memo has been produced for the sole benefit of MVP and is not for distribution outside MVP.

Howard Kahn is employed by Milliman, Inc. and is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion in this report.

cc: Rob Parke (Milliman)

Exhibit 1
MVP Health Care
Private Duty Nursing Simulation
Converting $2,000 Annual Dollar Limit to Visit Limit

Private Duty Nursing Probability Distribution*

Lower Bound	Upper Bound	2014 Average Allowed Unit Cost per Visit	Visits	Probability
$0	$25	$16.64	30	0.1%
$26	$50	$39.34	139	0.4%
$51	$76	$68.21	696	2.2%
$77	$101	$91.10	823	2.6%
$102	$126	$115.51	3,362	10.6%
$127	$158	$142.00	2,809	8.9%
$159	$189	$176.64	737	2.3%
$190	$221	$208.01	772	2.4%
$222	$252	$233.14	1,061	3.3%
$253	$316	$282.19	1,855	5.8%
$317	$379	$353.86	1,445	4.6%
$380	$442	$410.23	1,577	5.0%
$443	$505	$477.77	1,766	5.6%
$506	$631	$574.33	3,214	10.1%
$632	$757	$708.05	1,809	5.7%
$758	$884	$826.84	1,201	3.8%
$885	$1,010	$955.95	1,791	5.6%
$1,011	$1,136	$1,060.72	1,698	5.4%
$1,137	$1,262	$1,190.31	1,021	3.2%
$1,263	$1,389	$1,324.64	820	2.6%
$1,390	$1,515	$1,484.55	727	2.3%
$1,516	$1,641	$1,577.93	878	2.8%
$1,642	$1,767	$1,700.09	489	1.5%
$1,768	$1,894	$1,831.38	226	0.7%
$1,895	$2,020	$1,966.49	74	0.2%
$2,021	$2,146	$2,096.32	129	0.4%
$2,147	$2,272	$2,261.47	205	0.6%
$2,273	$2,399	$2,349.88	60	0.2%
$2,400	$2,525	$2,481.25	33	0.1%
$2,526		$4,954.81	267	0.8%

Number of Simulation Trials	**10,000**
Average Number of Visits to Meet $2,000 Threshold	**4.20**

*Data represents 2010 MarketScan trended at 6% annually to 2014

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ACTUARIAL MEMORANDUM
MVP HEALTH CARE
VERMONT

ACTUARIAL VALUES FOR
BRONZE HMO NON-STANDARD 3000
(FORM # FRVT-HMO-B-001-N (2014)),
BRONZE HDHP NON-STANDARD
(FORM # FRVT-HMOH-B-001-NS (2014), FRVT-HMOH-B-001-NF (2014)),
SILVER HDHP NON-STANDARD
(FORM # FRVT-HMOH-S-001-NS (2014), FRVT-HMOH-S-001-NF (2014))
EFFECTIVE JANUARY 1, 2014

The purpose of this Actuarial Memorandum is to calculate the actuarial values for determining the level of coverage in the Vermont Exchange for MVP Health Care's (MVP's) plans that could not be evaluated in the Health and Human Services (HHS) Actuarial Value Calculator. This memorandum addresses three non-standard plans MVP intends to market on the Exchange:

- Bronze HMO Non-Standard 3000
- Bronze HDHP Non-Standard
- Silver HDHP Non-Standard

Due to the complexity of some of the cost sharing features of these plans, they could not be evaluated directly in the HHS Actuarial Value Calculator. We therefore used Milliman's *Health Cost Guidelines* (HCGs) to develop plan relativities, which are applied to the actuarial values calculated in the HHS Actuarial Value Calculator.

Background

The Patient Protection and Affordable Care Act (ACA) requires issuers in the individual and small group markets, inside and outside of the Exchange, to offer minimum levels of coverage for Essential Health Benefits (EHB). These levels of coverage are measured in the form of actuarial values, as described in the following formula:

$$Actuarial\ Value = \frac{\text{Anticipated Plan Paid Allowed Charges for EHB Coverage for Standard Population}}{\text{Anticipated Total Allowed Charges for EHB Coverage for Standard Population}}$$

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The levels of coverage offered in the individual and small group markets must fall within certain actuarial value levels, as described in the following table:

Table 1

METALLIC LEVEL	ACTUARIAL VALUE RANGE
Bronze	58%-62%
Silver	68%-72%
Gold	78%-82%
Platinum	88%-92%

HHS developed an Actuarial Value Calculator for issuers to use in order to evaluate their existing plan designs and to ensure that future plan offerings meet the above criteria. The underlying costs in the Actuarial Value Calculator cover all federally mandated EHB's and reflect a standard individual and small group population.

For those plans which have cost sharing which cannot be accommodated in the Actuarial Value Calculator, an actuary must certify that these plans fall within the above ranges for their metallic levels. In MVP's proposed plans, there were three plan design features that could not be accommodated in the Actuarial Value Calculator. Therefore, we developed adjustment factors to be applied to the actuarial value calculated by the Actuarial Value Calculator for each of these plans. These features are described below:

1. Integrated Medical and Rx Deductible with two levels (the HDHP plans only)

   For each plan, there is an initial deductible of $1,250, for which medical and prescription drug spending applies. Once this initial deductible is reached, prescription drugs are no longer subject to the deductible. However, medical claims continue to be fully paid by the member until a second deductible level is reached. We call this second level the "total" deductible.

2. Integrated Medical and Rx Out of Pocket Maximum with two levels (all plans)

   There are two Out of Pocket Maximum (OOPM) limits for each plan: a prescription drug-only OOPM and an integrated OOPM.

   For the HDHP plans, any prescription drug spending in the initial deductible range contributes to both OOPMs. Once the initial deductible is met, prescription drug cost sharing continues to contribute towards both OOPMs. When the prescription drug-only OOPM is satisfied, the member no longer pays any cost sharing for prescription drugs.

Any medical spending in either deductible range contributes only to the integrated OOPM. The member's medical cost sharing after satisfying the "total" deductible will also apply only to the integrated OOPM. Once the integrated OOPM is satisfied, the member no longer needs to pay cost sharing for either medical or prescription drug coverage.

For the Bronze non-HDHP plan, which has separate prescription drug and medical deductibles, the integrated OOPM is applied in a similar way as the HDHP plans. Prescription drug spending that applies towards the prescription drug deductible contributes to both OOPMs. Once the prescription drug deductible is met, prescription drug cost sharing continues to apply towards both OOPMs. When the prescription drug-only OOPM is satisfied, the member no longer pays any cost sharing for prescription drugs.

Medical spending contributing towards the medical deductible applies only to the integrated OOPM. The member's medical cost sharing after satisfying the medical deductible will continue to apply only to the integrated OOPM. Once the integrated OOPM is satisfied, the member no longer needs to pay cost sharing for either medical or prescription drug coverage.

3. Aggregate Deductible (the HDHP plans only)

The Actuarial Value Calculator assumes that each family member is subject to the individual deductible limit until the family deductible limit is reached. However, MVP's HDHP plans assume that each family member is subject to the aggregate family deductible.

Results

The table below includes the results of our actuarial value analysis for MVP's proposed Bronze plan, Bronze HDHP plan, and Silver HDHP plan.

Table 2

	(1) Starting AV from the HHS AVC†	(2) Integrated $1,250 Deductible Adjustment	(3) Aggregate Family Deductible Adjustment	(4) Rx Out of Pocket Maximum Adjustment	(5) = (2)*(3)*(4) Final Factor	(6) = (1)*(5) Final AV
Bronze HMO Non-Standard 3000	59.9%	N/A	N/A	1.0000	1.0000	**59.9%**
Bronze HDHP Non-Standard	60.9%	1.0230	0.9908	1.0000	1.0136	**61.7%**
Silver HDHP Non-Standard	69.9%	1.0049	0.9956	1.0000	1.0004	**69.9%**

† The AVC does not properly account for the two-tiered integrated deductible, the two-tiered integrated OOPM, or the aggregate family deductible. (Refer to the "Methodology and Assumptions" section for further detail)

Based on the final actuarial values listed in Table 2, all plans fall within the de minimus range for their metallic tiers.

Methodology and Assumptions

We calculated actuarial values for MVP's proposed plans using outputs from the final HHS Actuarial Value Calculator, (released on February 20, 2012) in combination with models developed from Milliman's *Health Cost Guidelines* (HCGs). The HCGs are a cooperative effort of all Milliman health actuaries and represent a combination of their experience, research and judgment. An extensive amount of data is used in developing the HCGs and that data is updated annually.

The HCGs provide a flexible but consistent basis for the determination of health claim costs and premium rates for a wide variety of health plans. The Guidelines are developed as a result of Milliman's continuing research on health care costs. First developed in 1954, the Guidelines have been updated and expanded annually since that time. The Guidelines are continually monitored as they are used in measuring the experience or evaluating the rates of health plans, and as they are compared to other data sources.

The HCGs consider utilization and average charge levels for roughly 60 benefit categories. These models make provision, by type of service category, for benefit characteristics such as copays, deductibles, coinsurance, and out-of-pocket maximums.

To calculate a final actuarial value for each of MVP's plans, we first input the plans into the Actuarial Value Calculator, which does not allow tiered deductibles, tiered OOPMs, or aggregate family deductibles. For the HDHP plans, we entered the tiered deductible as a combined deductible equal to the plan's highest deductible level. For all plans, we entered the OOPM as a combined OOPM equal to the plan's integrated OOPM.

We then used the HCGs to develop a plan relativity factor ("Final Factor" in Table 2) to apply to the result from the Actuarial Value Calculator:

$$Relativity\ Factor = \frac{\text{Actuarial Value From Pricing All Benefit Provisions in the HCGs}}{\text{Actuarial Value From Pricing the Benefits As Interpreted by the HHS Actuarial Value Calculator in the HCGs}}$$

In order to evaluate the values of the two-tiered deductibles and OOPMs, we used separate claim probability distributions (CPDs) for medical-only costs, prescription drug-only costs, and combined medical and prescription drug costs. These CPDs were used to determine the probabilities of satisfying the deductible and OOPM limits based on which types of claims applied, and we used these probabilities to calculate the expected impact to the net claims cost. All claims costs in the CPDs were calibrated to the continuance tables provided in the Actuarial Value Calculator.

While calculating the value of the two-tiered OOPM, we determined that the inclusion of a separate OOPM for prescription drugs had a negligible impact on net claims costs for these specific plans. Using our CPDs, we determined that there was little likelihood that a member would satisfy the prescription drug OOPM before reaching the integrated OOPM. Therefore, no adjustment was needed for these plans.

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Data Reliance and Caveats

The actuarial values provided in this letter were developed from assumptions that have been established based on the available data and other information provided by MVP. If more relevant data becomes available, the assumptions should be revised. A revision in these assumptions might change the results and possibly, the related conclusions. Actual experience will vary from expected.

The actuarial values provided in this letter were developed using the final HHS Actuarial Value Calculator, released on February 20, 2012.

This memorandum was prepared for the internal use of MVP Health Care and statutory provisions in the State of Vermont protect its confidentiality. This report is provided to insurance regulators in Vermont for their internal use in accordance with established regulatory procedures. This memorandum may not be shown or distributed to any other party without the prior written consent of Milliman, Inc. Furthermore, any distribution of this report must be in its entirety.

Actuarial methods, considerations and analyses used in forming my opinion conform to the appropriate Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis of this memorandum. Any reader of this report must possess a substantial level of expertise in areas relevant to this analysis to appreciate the significance of the assumptions used in the analysis, and the impact of the assumptions on the illustrated results.

Qualifications

I am a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries and meet its qualification standards to provide analysis.

Sincerely,

Howard Kahn, FSA, MAAA
Consulting Actuary

ACTUARIAL CERTIFICATION

for

MVP HEALTH CARE

VERMONT

ACTUARIAL VALUES FOR
BRONZE HMO NON-STANDARD 3000
(FORM # FRVT-HMO-B-001-N (2014)),
BRONZE HDHP NON-STANDARD
(FORM # FRVT-HMOH-B-001-NS (2014), FRVT-HMOH-B-001-NF (2014)),
SILVER HDHP NON-STANDARD
(FORM # FRVT-HMOH-S-001-NS (2014), FRVT-HMOH-S-001-NF (2014))
EFFECTIVE JANUARY 1, 2014

I, Howard Kahn, Consulting Actuary, am a Member of the American Academy of Actuaries, and meet its qualification standards to provide this certification. I am associated with the firm of Milliman, Inc. My firm has been retained, and I have reviewed the attached actuarial values for MVP Health Care's Bronze HMO Non-Standard 3000, Bronze HDHP Non-Standard, and Silver HDHP Non-Standard plans that are effective January 1, 2014 for determining the level of coverage in the Exchange.

I have used the Actuarial Value Calculator to determine the actuarial value for the plan provisions that fit within the calculator parameters and have made appropriate adjustments to the actuarial values identified by the calculator, for plan design features that deviate substantially from the parameters of the Actuarial Values Calculator. To the best of my knowledge, these actuarial values are calculated in compliance with the Department of Health and Human Services (HHS) and Vermont Insurance Law.

I certify that the adjustments made to the actuarial value as identified by Actuarial Value Calculator are appropriate and in accordance with generally accepted actuarial principles and methodologies.

Howard Kahn, FSA, MAAA
Consulting Actuary
March 20, 2013

Vermont Health Insurance Rate Filing Checklist
Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	√	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Cover Letter	Include the legal name and address of the submitting company, toll-free number and valid email address of the filer, unique identifying form number of each form submitted and its descriptive title, whether the form is new or a form revision, and identify for any revised forms the form being replaced by its form number, assigned tracking number and approval date		x		First section of the actuarial memorandum. Coplan details can be found in Exhibit 1 of the Rate Filing.	
Rate Schedule	A schedule of rates for the filed effective date for all products and plans which are part of the single risk pool must be submitted. Include all products and plans regardless of whether or not a rate increase is being requested		x		Exhibit 6 of Rate Filing	
Federal Part I Unified Rate Review Template	A Federal Part I Unified Rate Review Template must be submitted with all rate filings which include at least one product that is subject to a rate increase	45 CFR 154.215(a) and (b)	n/a			Will be submitted once HHS issues final templates
Federal Part II Written Description	A Federal Part II written description must be submitted for rate increases which meet the current threshold for rate increases deemed "subject to review" as defined by 45 CFR 154.200	45 CFR 154.215(a), (b) and (e)	n/a			Will be submitted once HHS issues final templates
Federal Part III Actuarial Memorandum Requirements	Part III Actuarial Memorandum requirements must be provided with each filing for which a Part I Unified Rate Review Template is required	45 CFR 154.215(a) and (b)	n/a			Will be submitted once HHS issues final templates
For Increases of 5% or Greater - Plan Language Summary	For requested increases of 5% or greater, the insurer shall file a plain language summary.		x			New products -- N/A
Vermont Rate Filing Experience Submission Template	A Vermont Rate Filing Experience Submission Template must be completed and submitted with each filing that covers products and plans which are part of the single risk pool.		x			Four templates are being submitted: Small Group, Agriservices, Catamount, and Indemnity
Actuarial Memorandum	An actuarial memorandum signed by a current member of the American Academy of Actuaries		x			
Company Legal Name	The Company's legal name associated with the HIOS issuer ID	Federal Part III Actuarial Memorandum	x	Act Memo Item 1a	First section of the actuarial memorandum.	
HIOS Issuer ID	The HIOS ID Assigned to the legal entity	Federal Part III Actuarial Memorandum	x	Act Memo Item 1a	First section of the actuarial memorandum.	
NAIC Number	The NAIC Company Code assigned to the legal entity	Federal Part III Actuarial Memorandum	x	Act Memo Item 1a	First section of the actuarial memorandum.	
Primary Contact Name	Name of person at the company who will serve as the primary contact for the filing	Federal Part III Actuarial Memorandum	x	Act Memo Item 1b	First section of the actuarial memorandum.	
Primary Contact Number	Phone number for the primary contact	Federal Part III Actuarial Memorandum	x	Act Memo Item 1b	First section of the actuarial memorandum.	
Primary Contact Address	Address for the primary contact		x	Act Memo Item 1b	First section of the actuarial memorandum.	
Primary Contact Email Address	Email address for the primary contact	Federal Part III Actuarial Memorandum	x	Act Memo Item 1b	First section of the actuarial memorandum.	
Scope and Purpose	The scope and purpose of the filing, including all laws the filing is intended to comply with	ASOP #8	x	Act Memo Item 1c	First section of the actuarial memorandum.	
Market	The market in which the products and plans are offered	Federal Part III Actuarial Memorandum	x	Act Memo Item 1d	First section of the actuarial memorandum.	
Policy Forms	List all policy form numbers including HIOS Product Codes and Product Names	Federal Part III Actuarial Memorandum	x	Act Memo Item 1e	First section of the actuarial memorandum.	

Vermont Health Insurance Rate Filing Checklist
Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	√	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Description of Benefits	A narrative description of the benefits that will be provided by the policy forms included in the filing	Federal Part III Actuarial Memorandum	x	Act Memo Item 1f	Exhibit 1 of Rate Filing	
Marketing Method	A description of the marketing methods used to inform consumers of the availability of the policies	Federal Part III Actuarial Memorandum	x	Act Memo Item 1g	First section of the actuarial memorandum.	
History of Rate Adjustments	The month, year and percentage amount of all previous rate revisions.		x	Act Memo Item 2a		N/A
Effective Date of Requested Rate Adjustment	The effective dates that the requested rates are scheduled to be applied to and method of implementation.	Federal Part III Actuarial Memorandum	x	Act Memo Item 2b		N/A
Proposed Percentage Rate Adjustment	The requested rate adjustments for each product and plan	Federal Part III Actuarial Memorandum	x	Act Memo Item 2c		N/A
Description of How Rates Were Determined	A description of how rates were determined and how they meet the requirements of Vermont law to be reasonable relative to the level of benefits provided, and not excessive, inadequate, or unfairly discriminatory		x	Act Memo Item 2d	Actuarial Memorandum	
Reason for Rate Adjustment	A narrative description of the significant factors driving the change in rates	Federal Part III Actuarial Memorandum	x	Act Memo Item 2e	Actuarial Memorandum	
Average Annual Premium	The average premium for the entire single risk pool, before and after the requested rate adjustment	Federal Part III Actuarial Memorandum	x	Act Memo Item 2f		N/A
Number of Policyholders and Covered Lives	The number of Vermont policyholders and covered lives affected by the proposed rate increase		x	Act Memo Item 2g	Actuarial Memorandum	
Dates of Service for the Experience Period Used to Develop Rates	The dates of service of claims representing the base period experience used to develop the index rate for the single risk pool	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	x	Act Memo Item 3a	Actuarial Memorandum	
Date Through Which Claims Were Paid	The date through which claim payments were made on claims incurred during the experience period	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	x	Act Memo Item 3b	Actuarial Memorandum	
Estimated Allowed Claims During the Experience Period Used to Develop Rates	The actuary's best estimate of allowed claims for the single risk pool during the experience period that were used as a basis for developing the projected index rate	45 CFR 154.301(a)(3)(i) and (iv); ASOP #8	x	Act Memo Item 3c	Exhibit 3 of Rate Filing	
Method for Determining Allowed Claims	The method that was used to determine allowed claims (e.g. directly from claims system, paid claims plus required cost sharing)	45 CFR 154.301(a)(3)(i) and (iv)	x	Act Memo Item 3d	Actuarial Memorandum and Exhibit 3 of Rate Filing	
Incurred but Not Paid Claims	Support for the method used to develop the incurred but not paid claims on an allowed basis	45 CFR 154.301(a)(3)(i) and (iv)	x	Act Memo Item 3e	Actuarial Memorandum	
Premium in Experience Period (Net of MLR Rebate)	The best estimate of premium earned during the experience period, both before and after MLR rebates	45 CFR 154.301(a)(3)(i); ASOP #8	x	Act Memo Item 3f	Standard Rate Filing Data Templates	
Adjustments to Allowed Claims During the Experience Period	Description and numerical support for adjustments made to the experience period allowed claims for the single risk pool that were used as a basis for developing the projected index rate to adjust for the potential volatile nature of the experience	45 CFR 154.301(a)(3)(i) and (iv); ASOP #8	x	Act Memo Items 4a and 4b	Actuarial Memorandum and Exhibit 3 of Rate Filing	
Changes in Benefits	A description of average benefit changes (i.e. changes to covered services) between the experience period and the projection period, and a description of and support for the impact of each change on rates. Separately specify which changes were made to comply with Federal law	45 CFR 154.301(a)(4)(iv); Federal Part III Actuarial Memorandum; ASOP #8	x	Act Memo Item 5a	Actuarial Memorandum and Exhibit 3 of Rate Filing	
Trend Factors (Cost and Utilization)	A description of how trend is developed for each major service category and a detailed trend analysis supporting the factors used. Actual vs. expected trend for the past 36 months must also be provided.	45 CFR 154.301(a)(4)(i); Federal Part III Actuarial Memorandum; ASOP #8	x	Act Memo Item 5b	Actuarial Memorandum	

Vermont Health Insurance Rate Filing Checklist
Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	√	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Projected Changes in the Demographics of the Population Insured	A description and support for the development of factors used to adjust the experience period claims to reflect differences in the average demographics of the population covered in the experience period and the population anticipated to be covered in the projection period.	45 CFR 154.301(a)(4)(v) and (xv); ASOP #8	x	Act Memo Item 5c	Actuarial Memorandum and Exhibit 3 of Rate Filing	
Projected Changes in the Morbidity of the Population Insured	A description and support for the development of factors used to adjust the experience period claims to reflect differences in the average morbidity of the population covered in the experience period and the population anticipated to be covered in the projection period.	45 CFR 154.301(a)(4)(v) and (xv); ASOP #8	x	Act Memo Item 5d	Actuarial Memorandum and Exhibit 3 of Rate Filing	
Other Projected Changes	A description and support for the development of any other factors used to adjust the experience period claims to reflect differences between the experience period and the population anticipated to be covered in the projection period.	45 CFR 154.301(a)(4)(v) and (xv); ASOP #8	x	Act Memo Item 5e	Actuarial Memorandum and Exhibit 3 of Rate Filing	
Methodology Used to Develop the Credibility Manual Rate	Description of the methodology used to develop the credibility manual index rate, if applicable	ASOP #25	n/a	Act Memo Item 6a		Will be submitted once HHS issues final templates
Source and Appropriateness of Experience Used to Develop the Credibility Manual Rate	Description of the source data used to develop the credibility manual index rate and support that the data is appropriate, if applicable	ASOP #25	n/a	Act Memo Item 6b		Will be submitted once HHS issues final templates
Adjustments Made to Data Used to Develop the Credibility Manual Rate	Description and support for each adjustment made to the experience used to develop the credibility manual index rate, if applicable	ASOP #25	n/a	Act Memo Item 6c		Will be submitted once HHS issues final templates
Inclusion of Capitation Payments in Developing the Credibility Manual Rate	Description of how capitated services were accounted for in developing the credibility manual index rate, if applicable	ASOP #25	x	Act Memo Item 6d	Actuarial Memorandum and Exhibit 3 of Rate Filing	
Credibility Methodology	Description of the methodology used to determine the credibility of the base period experience	ASOP #25	n/a	Act Memo Item 7a		Will be submitted once HHS issues final templates
Credibility Level(s)	The credibility level assigned to the base period experience	ASOP #25	n/a	Act Memo Item 7b		Will be submitted once HHS issues final templates
Covered Services - Essential Health Benefits	Description and percent of claims represented by newly added benefits which are Essential Health Benefits	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	x	Act Memo Item 8a	Actuarial Memorandum, Memorandum from Milliman, and Exhibit 3 of Rate Filing	
Covered Services - State Mandated Benefits Which are Not Essential Health Benefits	Description and percent of claims represented by benefits which are Vermont State mandated benefits but are Not Essential Health Benefits	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	x	Act Memo Item 8b	Actuarial Memorandum	
Covered Services - Eliminated Benefits	Description and percent of claims represented by benefits which are currently covered but will not be covered in the projection period	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	x	Act Memo Item 8c	Actuarial Memorandum	
Covered Services - Additional Mandatory Supplemental Benefits	Listing of benefits that will be covered on a mandatory basis in the projection period but are Not an Essential Health Benefit	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	x	Act Memo Item 8d	Actuarial Memorandum	
Covered Services - Changes in the Level of Covered Services	Description of benefits which are currently covered but will covered at a different level in the projection period (e.g., change in the number of visits covered)	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	x	Act Memo Item 8e	Actuarial Memorandum, Memorandum from Milliman	
Covered Services - EHB Substitutions	Description and support for any benefits substituted for Essential Health Benefits	45 CFR 156.115(b)	x	Act Memo Item 8f	Actuarial Memorandum, Memorandum from Milliman	
Credibility Adjusted Projected Claims	Estimated claims for the projection period, after adjusting for credibility, including appropriate support	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	n/a	Act Memo Item 9		Will be submitted once HHS issues final templates
Projected Index Rate	Estimated index rate for the projection period, representing the EHB portion of the credibility adjusted projected claims	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	x	Act Memo Item 10	Exhibit 3 of Rate Filing	

Vermont Health Insurance Rate Filing Checklist
Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	√	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Risk Transfer Payments	Demonstration the calculation of the estimate of the risk transfer payments during the projection period	45 CFR 154.301(a)(3)(iii); 45 CFR 154.301(a)(4)(xv)	x	Act Memo Item 11a	Actuarial Memorandum	
Transitional Reinsurance	Demonstration the calculation of the estimate of the transitional reinsurance payments during the projection period.	45 CFR 154.301(a)(3)(iii); 45 CFR 154.301(a)(4)(xv)	x	Act Memo Item 11b	Actuarial Memorandum	
Exchange User Fees	Demonstration of the calculation of the estimate of the impact of exchange user fees during the projection period	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	n/a	Act Memo Item 11c		N/A for 2014
Plan Level Adjusted Index Rate	Demonstration of how the index rate was adjusted for the allowable plan level adjustments outlined in 45 CFR 154.80(d)(2)	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iii)	x	Act Memo Item 12	Actuarial Memorandum	
AV Metal Values	Description of how the AV Metal Values for each of the plans was calculated, and support for use of alternate methodologies other than the AV Calculator	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iii)	x	Act Memo Item 13a	Actuarial Memorandum, Memorandum from Milliman	
AV Pricing Values	Description of how the AV Pricing Values for each of the plans was calculated, and identification of a reference plan	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iii)	x	Act Memo Item 13b	Actuarial Memorandum	
Paid to Allowed Ratio	Support for the average paid to allowed ratio during the projection period	Federal Part I Unified Rate Review Template and Part III Actuarial Memorandum	n/a	Act Memo Item 14		Will be submitted once HHS issues final templates
Projected Non-Benefit Expenses, Risk and Profit	Support for proposed non-benefit expenses, risk margins and profit margins.	45 CFR 154.301(a)(4)(vii), (ix) and (x)	x	Act Memo Item 15a	Exhibit 5 of Rate Filing and Actuarial Memorandum	
Comparison of Current and Proposed Non-Benefit Expenses, Risk and Profit	A comparison of the amounts by prescribed expense category as a percent of premium and on a PMPM basis for both the current and proposed rates.	45 CFR 154.301(a)(4)(viii), (ix) and (x)	x	Act Memo Item 15b		N/A
Varying Non-Benefit Expenses by Plan	Support for non-benefit expense loads as a percent of premium that vary by plan	45 CFR 154.301(a)(4)(vii), (ix) and (x)	x	Act Memo Item 15c	Exhibit 5 of Rate Filing and Actuarial Memorandum	
Family Composition	Proposed family composition factors/methodology and demonstration that the premium developed is consistent with the premium developed using the methodology described in 45 CR 147.102, paragraphs (c)(1) or (c)(2)	45 CFR 154.301(a)(3)(iv)	x	Act Memo Item 16	Exhibit 4 of Rate Filing and Actuarial Memorandum	
Development of Rate Tables	Description of how the plan level adjusted index rate was normalized to the carrier's reference plan for use in developing age, geographic and tobacco status specific rates	45 CFR 154.301(a)(4)(v) and (xiv)	x	Act Memo Item 17	Exhibit 6 of Rate Filing and Actuarial Memorandum	
Company Financial Position	Description of the carrier's current financial position	45 CFR 154.301(a)(4)(xii)	x	Act Memo Item 18	MVP Health Plan Financial Information - Exhibit 5.xls	
Loss Ratio Requirements	State the Vermont or Federal Loss Ratio Requirements	45 CFR 154.301(a)(4)(xi)	x	Act Memo Item 19a	Actuarial Memorandum	
Projected Federal MLR	Demonstration of the anticipated Federal MLR during the projection period	45 CFR 154.301(a)(4)(xi)	x	Act Memo Item 19b	Actuarial Memorandum	
Vermont Loss Ratio Requirements	Demonstration of compliance with any Vermont loss ratio requirements	45 CFR 154.301(a)(4)(xi)	x	Act Memo Item 19c	Actuarial Memorandum	
Reliance	Disclosure of any information developed by other individuals that the actuary relied on in the development of rates	ASOP #8; Federal Part III Actuarial Memorandum	x	Act Memo Item 20	Actuarial Memorandum	
Identification of the Certifying Actuary	The certifying actuary must identify himself/herself and indicate they are a member of the American Academy of Actuaries	Federal Part III Actuarial Memorandum	x	Act Memo Item 21a	Actuarial Memorandum	
Certification of the Index Rate	Certification that the index rate was calculated appropriately and in compliance with applicable laws and actuarial standards of practice	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	x	Act Memo Item 21b	Actuarial Memorandum	
Certification of Plan Level Rates	Certification that plan level rates were developed using the index rate and only adjusting for allowable factors	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iii)	x	Act Memo Item 21c	Actuarial Memorandum	

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Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	√	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Certification of Metal AV	Certification that the standard AV Calculator was used to determine the metal AV for each plan, or if a alternate methodology was used, certification that the alternate methodology is consistent with the AV Calculator	Federal Part III Actuarial Memorandum	x	Act Memo Item 21d	Actuarial Memorandum, Memorandum from Milliman	
Certification of EHB Substitutions	Certification that EHB substitutions meet the requirements of 45 CFR 156.115(b)	45 CFR 156.115(b)	x	Act Memo Item 21e	Actuarial Memorandum, Memorandum from Milliman	
Certification of Compliance with Vermont General Statutes	Certification that the proposed rates are in compliance with the requirements of Vermont law.	Federal Part III Actuarial Memorandum	x	Act Memo Item 21f	Actuarial Memorandum	
Certification of Compliance with Applicable Federal Regulations	Certification that the proposed rates were developed in compliance with applicable Federal regulations	Federal Part III Actuarial Memorandum	x	Act Memo Item 21g	Actuarial Memorandum	
Certification of Compliance with Actuarial Standards of Practice	Certification that the filing has been prepared in compliance with ASOP #8, 26, 31, and 41	Federal Part III Actuarial Memorandum	x	Act Memo Item 21h	Actuarial Memorandum	

MVP Health Care -- 2014 Exchange Rate Filing

MVP Health Plan, Inc. 2014 Vermont Exchange Rate Filing
For Effective Dates Beginning Between January 1, 2014 - December 31, 2014

Exhibit 1 -- Summary of Medical Coplans Offered

MVP Health Plan, Inc. 2014 Vermont Exchange Rate Filing
For Effective Dates Beginning Between January 1, 2014 - December 31, 2014

				In-Network Benefits												
Coplan	Product Type	Metal Level	Standard/Non-Standard	PCP	SCP	IP (Med/Surg)	ER	OP Surg	Amb	Ded	Deductible Type	Coins.	Med OOP Max	Rx OOP Max	OOP Max Type	Pharmacy
FRVT-HMO-P-001-S	HyHMO	Platinum	Standard	$10	$20	10%	$100	10%	$50	$150	Stacked	10%	$1,250	$1,250	Separate	$5 / $40 / 50%
FRVT-HMO-G-001-S	HyHMO	Gold	Standard	$15	$25	20%	$150	20%	$50	$750	Stacked	20%	$4,250	$1,250	Separate	$5 / $40 / 50%
FRVT-HMO-G-001-N	HyHMO	Gold	Non-Standard	$5	$40	20%	$200	20%	$50	$850	Stacked	20%	$5,150	$1,250	Separate	$5 / $50 / 50%, $75 Brand Ded, VBID = $1
FRVT-HMO-G-002-N	HyHMO	Gold	Non-Standard	$5	$30	20%	20%	20%	$50	$500	Stacked	20%	$5,150	$1,250	Separate	$5 / $50 / 50%, $75 Brand Ded, VBID = $1
FRVT-HMO-S-001-S	HyHMO	Silver	Standard	$20	$40	40%	$250*	40%	$100	$1,900	Stacked	40%	$5,150	$1,250	Separate	$12 / $50 / 50%, $100 Brand Ded
FRVT-HMOH-S-001-S	HDHMO	Silver	Standard	10%	20%	20%	20%	20%	20%	$1,550	Aggregate	20%	$5,750	$1,250	Integrated	$10 / $40 / 50%
FRVT-HMO-S-001-N	HyHMO	Silver	Non-Standard	$10	$40	50%	$400*	50%	$100	$1,700	Stacked	50%	$5,150	$1,250	Separate	$12 / $60 / 50%, $200 Brand Ded, VBID = $3
FRVT-HMOH-S-002-N	HDHMO	Silver	Non-Standard	$5	20%	20%	20%	20%	20%	$1,600	Aggregate	20%	$6,400	$1,250	Integrated	$5 / $40 / 50%
FRVT-HMO-B-001-S	HMO	Bronze	Standard	$35*	$80*	50%	50%	50%	$100*	$3,500	Stacked	50%	$6,400	$1,250	Integrated	$20 / $80 / 60%, $200 Ded
FRVT-HMOH-B-001-S	HDHMO	Bronze	Standard	50%	50%	50%	50%	50%	50%	$2,000	Aggregate	50%	$6,250	$1,250	Integrated	$12 / 40% / 60%
FRVT-HMO-B-001-N	HMO	Bronze	Non-Standard	$30*	$100*	50%	50%	50%	$125*	$3,500	Stacked	50%	$6,400	$1,250	Integrated	$15 / $90 / 60%, $500 Ded, VBID = $3
FRVT-HMOH-B-002-N	HDHMO	Bronze	Non-Standard	$25*	30%	30%	30%	30%	30%	$3,500	Aggregate	30%	$6,400	$1,250	Integrated	$12 / 40% / 60%
FRVT-HMO-C-001-S	HMO	Catastrophic	Standard	$0**	$0	0%	$0	0%	$0	$6,400	Stacked	0%	$6,400	$1,250	Integrated	$0 / $0 / $0

Subsidized Cost-Sharing Benefits (Non AI/AN)				In-Network Benefits												
Coplan	Product Type	Metal Level	Standard/Non-Standard	PCP	SCP	IP (Med/Surg)	ER	OP Surg	Amb	Ded	Deductible Type	Coins.	Med OOP Max	Rx OOP Max	OOP Max Type	Pharmacy
FRVT-HMO-S1-001-S	HyHMO	Silver	Standard	$20	$40	40%	$250*	40%	$100	$1,900	Stacked	40%	$4,000	$1,200	Separate	$12/$50/50% ($100 DED)
FRVT-HMO-S1-002-S	HyHMO	Silver	Standard	$10	$30	40%	$250*	40%	$100	$750	Stacked	40%	$1,250	$400	Separate	$10/$50/50% ($100 DED)
FRVT-HMO-S1-003-S	HyHMO	Silver	Standard	$5	$15	10%	75%*	10%	$50	$100	Stacked	10%	$500	$200	Separate	$5/$20/30%
FRVT-HMOH-S1-001-S	HDHMO	Silver	Standard	10%	20%	20%	20%	20%	20%	$1,400	Aggregate	20%	$3,400	$1,200	Integrated	$10/$40/50%
FRVT-HMOH-S1-002-S	HDHMO	Silver	Standard	0%	0%	0%	0%	0%	0%	$1,000	Aggregate	0%	$1,000	$400	Integrated	$0/$0/0%
FRVT-HMOH-S1-003-S	HDHMO	Silver	Standard	0%	0%	0%	0%	0%	0%	$450	Aggregate	0%	$450	$200	Integrated	$0/$0/0%
FRVT-HMO-S1-001-N	HyHMO	Silver	Non-Standard	$10	$40	50%	$400	50%	$100	$1,700	Stacked	50%	$4,000	$1,200	Separate	$12/$60/50% ($200 DED), VBID = $3
FRVT-HMO-S1-002-N	HyHMO	Silver	Non-Standard	$10	$30	40%	$250	40%	$100	$750	Stacked	40%	$1,250	$400	Separate	$10/$50/50% ($100 DED), VBID = $3
FRVT-HMO-S1-003-N	HyHMO	Silver	Non-Standard	$5	$15	10%	75%	10%	$50	$100	Stacked	10%	$500	$200	Separate	$5/$20/30%, VBID = $3
FRVT-HMOH-S1-001-N	HDHMO	Silver	Non-Standard	$5	20%	20%	20%	20%	20%	$1,400	Aggregate	20%	$3,400	$1,250	Integrated	$10/$40/50%
FRVT-HMOH-S1-002-N	HDHMO	Silver	Non-Standard	0%	0%	0%	0%	0%	0%	$1,000	Aggregate	0%	$1,000	$1,000	Integrated	$0/$0/0%
FRVT-HMOH-S1-003-N	HDHMO	Silver	Non-Standard	0%	0%	0%	0%	0%	0%	$450	Aggregate	0%	$450	$450	Integrated	$0/$0/0%

American Indian and Alaskan Native (AI/AN) Benefits (Unsubsidized)^				In-Network Benefits												
Coplan	Product Type	Metal Level	Standard/Non-Standard	PCP	SCP	IP (Med/Surg)	ER	OP Surg	Amb	Ded	Deductible Type	Coins.	Med OOP Max	Rx OOP Max	OOP Max Type	Pharmacy
FRVT-HMO-PA2-001-S	HyHMO	Platinum	Standard	$10	$20	10%	$100	10%	$50	$150	Stacked	10%	$1,250	$1,250	Separate	$5 / $40 / 50%
FRVT-HMO-GA2-001-S	HyHMO	Gold	Standard	$15	$25	20%	$150	20%	$50	$750	Stacked	20%	$4,250	$1,250	Separate	$5 / $40 / 50%
FRVT-HMO-GA2-001-N	HyHMO	Gold	Non-Standard	$5	$40	20%	$200	20%	$50	$850	Stacked	20%	$5,150	$1,250	Separate	$5 / $50 / 50%, $75 Brand Ded, VBID = $1
FRVT-HMO-GA2-002-N	HyHMO	Gold	Non-Standard	$5	$30	20%	20%	20%	$50	$500	Stacked	20%	$5,150	$1,250	Separate	$5 / $50 / 50%, $75 Brand Ded, VBID = $1
FRVT-HMO-SA2-001-S	HyHMO	Silver	Standard	$20	$40	40%	$250*	40%	$100	$1,900	Stacked	40%	$5,150	$1,250	Separate	$12 / $50 / 50%, $100 Brand Ded
FRVT-HMOH-SA2-001-S	HDHMO	Silver	Standard	10%	20%	20%	20%	20%	20%	$1,550	Aggregate	20%	$5,750	$1,250	Integrated	$10 / $40 / 50%
FRVT-HMO-SA2-001-N	HyHMO	Silver	Non-Standard	$10	$40	50%	$400*	50%	$100	$1,700	Stacked	50%	$5,150	$1,250	Separate	$12 / $60 / 50%, $200 Brand Ded, VBID = $3
FRVT-HMOH-SA2-001-N	HDHMO	Silver	Non-Standard	$5	20%	20%	20%	20%	20%	$1,600	Aggregate	20%	$6,400	$1,250	Integrated	$5 / $40 / 50%
FRVT-HMO-BA2-001-S	HMO	Bronze	Standard	$35*	$80*	50%	50%	50%	$100*	$3,500	Stacked	50%	$6,400	$1,250	Integrated	$20 / $80 / 60%, $200 Ded
FRVT-HMOH-BA2-001-S	HDHMO	Bronze	Standard	50%	50%	50%	50%	50%	50%	$2,000	Aggregate	50%	$6,250	$1,250	Integrated	$12 / 40% / 60%
FRVT-HMO-BA2-001-N	HMO	Bronze	Non-Standard	$30*	$100*	50%	50%	50%	$125*	$3,500	Stacked	50%	$6,400	$1,250	Integrated	$15 / $90 / 60%, $500 Ded, VBID = $3
FRVT-HMOH-BA2-001-N	HDHMO	Bronze	Non-Standard	$25*	30%	30%	30%	30%	30%	$3,500	Aggregate	30%	$6,400	$1,250	Integrated	$12 / 40% / 60%

American Indian and Alaskan Native (AI/AN) Benefits (Subsidized)				In-Network Benefits												
Coplan	Product Type	Metal Level	Standard/Non-Standard	PCP	SCP	IP (Med/Surg)	ER	OP Surg	Amb	Ded	Deductible Type	Coins.	Med OOP Max	Rx OOP Max	OOP Max Type	Pharmacy
FRVT-HMO-BA1-001-S	HMO	Bronze	Standard	$0	$0	0%	$0	0%	$0	$0	$0	0%	N/A	N/A	N/A	$0
FRVT-HMO-BA1-001-N	HMO	Bronze	Non-Standard	$0	$0	0%	$0	0%	$0	$0	$0	0%	N/A	N/A	N/A	$0

** Cost-sharing applies after deductible is met*

*** 3 PCP Office Visits are covered in full*

^ Services provided by a tribal facility are covered in full for non-HDHP plans. For HDHP plans, services are covered in full if provided by a tribal facility after the deductible is met.

Note: MVP's Non-Standard Plan Designs also have a Member Wellness Rider (Form: FRVT-300) attached which provides up to $200 per adult member (age >= 18) per year.

Exhibit 2 -- Pricing Trend Assumptions

MVP Health Plan, Inc. 2014 Vermont Exchange Rate Filing
For Effective Dates Beginning Between January 1, 2014 - December 31, 2014

		Midpoint
Experience Period:	November 1, 2011 - October 31, 2012	May 1, 2012
Rating Period:	January 1, 2014 - December 31, 2014	July 1, 2014

Medical Trend Summary

2012 Annual Trend

	% of Allowed Claims	Allowed Cost	Utilization	Total
IP	19.2%	5.1%	0.0%	5.1%
OP and Other Med	48.8%	5.1%	0.0%	5.1%
PHY	31.9%	2.4%	0.0%	2.4%
Medical Total		4.2%	0.0%	**4.2%**

2013 Annual Trend

	% of Allowed Claims	Allowed Cost	Utilization	Total
IP	19.2%	7.2%	0.0%	7.2%
OP and Other Med	48.8%	7.2%	0.0%	7.2%
PHY	31.9%	2.5%	0.0%	2.5%
Medical Total		5.7%	0.0%	**5.7%**

2014 Annual Trend

	% of Allowed Claims	Allowed Cost	Utilization	Total
IP	19.2%	7.2%	0.0%	7.2%
OP and Other Med	48.8%	7.2%	0.0%	7.2%
PHY	31.9%	2.5%	0.0%	2.5%
Medical Total		5.7%	0.0%	**5.7%**

Annual Allowed Medical Trend **5.2%**

Rx Trend Summary

	2012 Trend		2013 Trend		2014 Trend	
	Allowed Cost	Utilization	Allowed Cost	Utilization	Allowed	Utilization
Traditional	-1.2%	0.2%	-0.4%	2.0%	2.8%	2.2%
Specialty	11.8%	4.8%	12.2%	6.0%	13.8%	7.2%

Exhibit 2b -- Support for Rx Trend Used in Development of Index Rate

MVP Health Plan, Inc. 2014 Vermont Exchange Rate Filing
For Effective Dates Beginning Between January 1, 2014 - December 31, 2014

Experience Period: Nov 2011 - Oct 2012
Paid Through: Jan 31, 2013

Member Months in Rating Pool	242,105			
Rx Claim Information	**Generic**	**Brand**	**Specialty**	**Total**
Experience Period Scripts / 1000	8,397	1,657	49	10,103
Experience Period Allowed Cost per Script	$25.10	$163.67	$2,723.08	$60.93
Experience Period Allowed PMPM	$17.57	$22.60	$11.14	$51.30
Annual Util Trend	1.015	1.015	1.059	1.015
Annual Unit Cost Trend	1.001	1.001	1.124	1.041
Total Annual Trend	1.016	1.016	1.191	1.057
Months of Trend to Q1 2014**	26.0	26.0	26.0	26.0
Projected Scripts / 1000 as of Q1 2014	8,671	1,711	56	10,437
Projected Allowed Cost per Script as of Q1 2014	$25.14	$163.96	$3,510.91	$66.46
Projected Allowed PMPM as of Q1 2014	$18.17	$23.37	$16.26	$57.80

**Midpoint of Experience Period -- 05/01/2012, Midpoint of 2014 Rating Period -- 07/01/2014

Exhibit 3 -- Development of Index Rate

MVP Health Plan, Inc. 2014 Vermont Exchange Rate Filing
For Effective Dates Beginning Between January 1, 2014 - December 31, 2014

Experience Period: Nov 2011 - Oct 2012
Paid Through: Jan 31, 2013

	Allowed Claims PMPM
Member Months	242,105
FRDM Medical Claims and Capitation/Non-FRDM Information	
Total Experience Period Claims	$334.81
Elective Abortion Cost (not covered in Exchange)	($0.03)
Vision (Only Pediatric Covered in Exchange)	($0.02)
Preventive Women's Mandate	$0.21
Disposable Supplies	$0.84
Pediatric Vision	$1.46
Other Benefit Expansions*	$3.30
Net Experience Period Claims Covered for Exchange Pricing	$340.56
IBNR Factor	1.014
Experience Period Incurred Medical Claims For Exchange Pricing	$345.21
Annual Medical Trend	1.052
Months of Trend to midpoint of 2014**	26.0
Capitations and Non-FRDM Claim Expenses	$6.73
Trended Incurred Medical Claims PMPM for 2014	$392.01
Rx Claim Information	
Experience Period Rx Claims	$51.30
Annual Rx Trend	1.057
Months of Rx Trend	26.0
Trended Gross Rx Claims PMPM for 2014	$57.80
Rx Rebates	($4.02)
Trended Net Rx Claims PMPM for 2014	$53.78
Index Rate Development for 2014	
A) Total Claim Cost for 2014 Excluding Taxes/Assessments, Prior to Adjustments	$445.79
B) Utilization Adjustment due to Benefit Relativity Adjustment *Equals Induced Utilization Adjustment in Ben Rel Model from 0.727 to 0.750*	1.012
Support for Utilization Adjustment due to Projected Change in Ben Rel (Section "B" above)	
Experience Period Benefit Relativity	72.7%
Benefit Relativity Impact of Cost-Sharing Reductions	1.6%
Benefit Relativity Adjustment for Members Outside Metal Levels in Exp Pd	1.5%
Projected Benefit Relativity for 2014	75.0%
C) Index Rate Increase Required Due to Revenue Shortfall from Catastrophic Mbrship	1.006
D) Projected Change in Risk Pool Due to Mbrship Changes	1.000
E) Pent-Up Demand Factor	1.000
F) Impact of Temporary Reinsurance Pool on Merged Index Rate	0.968
Support for Impact of Temporary Reinsurance Pool on Merged Index Rate (Section "F" above)	
Avg Value of Temporary Reinsurance Pool from 2010 - 2012	9.6%
Projected % of Membership in Individual Market	33.4%
Adjustment to Merged Market Index Rate	-3.2%
G) Calibration Adjustment	1.045
H) Payment Transfer Impact	$0.00
I) 2014 Index Rate *= [A) * B) * C) * D) * E) * F) * G)] + H) -- reflects a Benefit Relativity of 75.0%*	**$459.00**

*Other Benefit expansions include: Wigs, Sterilization Reversal, Couples Therapy, Autism, Habilitative Svces, Private Duty Nurse, and limit removals for SNF and Home Care

**Midpoint of Experience Period -- 05/01/2012, Midpoint of 2014 Rating Period -- 07/01/2014

Exhibit 4 -- Conversion Factor and Tier Ratios

MVP Health Plan, Inc. 2014 Vermont Exchange Rate Filing
For Effective Dates Beginning Between January 1, 2014 - December 31, 2014

Tier	Contract Type	Subscriber Months	Member Months	Avg Contract Size	Load Factor
4	Single	88,078	88,078	1.000	1.000
4	Double	19,855	39,710	2.000	2.000
4	Parent/Child(ren)	5,076	12,772	2.516	1.930
4	Family	25,457	101,545	3.989	2.810

Proposed Conversion Factor **1.158**

Exhibit 5 -- Retention Loads, Taxes/Assessments, and Paid Claim Surcharges

MVP Health Plan, Inc. 2014 Vermont Exchange Rate Filing
For Effective Dates Beginning Between January 1, 2014 - December 31, 2014

% of Premium Retention Components	
General Administrative Load	9.50%
Broker Load	0.00%
Bad Debt	0.25%
Profit	1.50%
Total % of Premium Retention Components	11.25%

% of Premium Taxes and Assessments	
Premium Tax	0.00%
VT Vaccine Pilot	0.44%
ACA Insurer Tax	2.00%
Total % of Premium Taxes/Assessments	2.44%

% of Paid Claim Taxes and Assessments	
Vermont Paid Claim Surcharge	0.999%
New York State HCRA Surcharge	0.250%
Total % of Paid Claim Taxes/Assessments	1.249%

PMPM Taxes and Assessments	
HHS Risk Adjustment User Fee	$0.08
Fed Reinsurance Assessment	$5.25
Comparative Eff Research Tax	$0.17
Total PMPM Taxes/Assessments	$5.50

Exhibit 6 -- 2014 Exchange Premium Rates

MVP Health Plan, Inc. 2014 Vermont Exchange Rate Filing
For Effective Dates Beginning Between January 1, 2014 - December 31, 2014

2014 Index Rate (Exhibit 3, Item I)	$459.00
Projected Benefit Relativity of Index Rate (Exhibit 3, Item B)	0.750

Coplan	Product Type	Metal Level	Standard/Non-Standard	Other Information	Pricing Actuarial Value	Induced Utilization Factor*	Net Claim Cost PMPM	% of Premium Retention Components	% of Premium Taxes and Assessments	% of Paid Claim Taxes/Assessments	PMPM Taxes and Assessments	Benefits in Excess of EHB's**	Gross Claim Cost PMPM	Single***	Double	Parent/Child(ren)	Family
FRVT-HMO-P-001-S	HyHMO	Platinum	Standard	Non-Subsidized	0.897	1.086	$447.13	$59.73	$12.95	$5.58	$5.50	$0.00	$530.89	$614.77	$1,229.54	$1,186.51	$1,727.50
FRVT-HMO-G-001-S	HyHMO	Gold	Standard	Non-Subsidized	0.814	1.033	$385.95	$51.65	$11.20	$4.82	$5.50	$0.00	$459.12	$531.66	$1,063.32	$1,026.10	$1,493.96
FRVT-HMO-G-001-N	HyHMO	Gold	Non-Standard	Non-Subsidized	0.798	1.022	$374.34	$50.49	$10.95	$4.71	$5.50	$2.79	$448.77	$519.68	$1,039.36	$1,002.98	$1,460.30
FRVT-HMO-G-002-N	HyHMO	Gold	Non-Standard	Non-Subsidized	0.818	1.036	$388.98	$52.42	$11.37	$4.89	$5.50	$2.79	$465.95	$539.57	$1,079.14	$1,041.37	$1,516.19
FRVT-HMO-S-001-S	HyHMO	Silver	Standard	Non-Subsidized	0.711	0.979	$319.49	$42.88	$9.30	$3.99	$5.50	$0.00	$381.16	$441.38	$882.76	$851.86	$1,240.28
FRVT-HMOH-S-001-S	HDHMO	Silver	Standard	Non-Subsidized	0.712	0.980	$320.27	$42.98	$9.32	$4.00	$5.50	$0.00	$382.08	$442.45	$884.90	$853.93	$1,243.28
FRVT-HMO-S-001-N	HyHMO	Silver	Non-Standard	Non-Subsidized	0.693	0.975	$310.13	$42.01	$9.11	$3.91	$5.50	$2.79	$373.45	$432.46	$864.92	$834.65	$1,215.21
FRVT-HMOH-S-002-N	HDHMO	Silver	Non-Standard	Non-Subsidized	0.710	0.979	$319.04	$43.19	$9.37	$4.02	$5.50	$2.79	$383.90	$444.56	$889.12	$858.00	$1,249.21
FRVT-HMO-B-001-S	HMO	Bronze	Standard	Non-Subsidized	0.573	0.948	$249.33	$33.62	$7.29	$3.11	$5.50	$0.00	$298.86	$346.08	$692.16	$667.93	$972.48
FRVT-HMOH-B-001-S	HDHMO	Bronze	Standard	Non-Subsidized	0.621	0.955	$272.21	$36.64	$7.95	$3.40	$5.50	$0.00	$325.70	$377.16	$754.32	$727.92	$1,059.82
FRVT-HMO-B-001-N	HMO	Bronze	Non-Standard	Non-Subsidized	0.577	0.948	$251.07	$34.22	$7.42	$3.17	$5.50	$2.79	$304.17	$352.23	$704.46	$679.80	$989.77
FRVT-HMOH-B-002-N	HDHMO	Bronze	Non-Standard	Non-Subsidized	0.606	0.950	$264.24	$35.96	$7.80	$3.34	$5.50	$2.79	$319.62	$370.12	$740.24	$714.33	$1,040.04
FRVT-HMO-C-001-S	HMO	Catastrophic	Standard	Non-Subsidized	0.598	0.521	$143.05	$19.60	$4.25	$1.79	$5.50	$0.00	$174.18	$201.70	$403.40	$389.28	$566.78
FRVT-HMO-S1-001-S	HyHMO	Silver	Standard	Subsidized (73%)	0.711	0.979	$319.49	$42.88	$9.30	$3.99	$5.50	$0.00	$381.16	$441.38	$882.76	$851.86	$1,240.28
FRVT-HMO-S1-002-S	HyHMO	Silver	Standard	Subsidized (87%)	0.711	0.979	$319.49	$42.88	$9.30	$3.99	$5.50	$0.00	$381.16	$441.38	$882.76	$851.86	$1,240.28
FRVT-HMO-S1-003-S	HyHMO	Silver	Standard	Subsidized (94%)	0.711	0.979	$319.49	$42.88	$9.30	$3.99	$5.50	$0.00	$381.16	$441.38	$882.76	$851.86	$1,240.28
FRVT-HMOH-S1-001-S	HDHMO	Silver	Standard	Subsidized (73%)	0.712	0.980	$320.27	$42.98	$9.32	$4.00	$5.50	$0.00	$382.08	$442.45	$884.90	$853.93	$1,243.28
FRVT-HMOH-S1-002-S	HDHMO	Silver	Standard	Subsidized (87%)	0.712	0.980	$320.27	$42.98	$9.32	$4.00	$5.50	$0.00	$382.08	$442.45	$884.90	$853.93	$1,243.28
FRVT-HMOH-S1-003-S	HDHMO	Silver	Standard	Subsidized (94%)	0.712	0.980	$320.27	$42.98	$9.32	$4.00	$5.50	$0.00	$382.08	$442.45	$884.90	$853.93	$1,243.28
FRVT-HMO-S1-001-N	HyHMO	Silver	Non-Standard	Subsidized (73%)	0.693	0.975	$310.13	$42.01	$9.11	$3.91	$5.50	$2.79	$373.45	$432.46	$864.92	$834.65	$1,215.21
FRVT-HMO-S1-002-N	HyHMO	Silver	Non-Standard	Subsidized (87%)	0.693	0.975	$310.13	$42.01	$9.11	$3.91	$5.50	$2.79	$373.45	$432.46	$864.92	$834.65	$1,215.21
FRVT-HMO-S1-003-N	HyHMO	Silver	Non-Standard	Subsidized (94%)	0.693	0.975	$310.13	$42.01	$9.11	$3.91	$5.50	$2.79	$373.45	$432.46	$864.92	$834.65	$1,215.21
FRVT-HMOH-S1-001-N	HDHMO	Silver	Non-Standard	Subsidized (73%)	0.710	0.979	$319.04	$43.19	$9.37	$4.02	$5.50	$2.79	$383.90	$444.56	$889.12	$858.00	$1,249.21
FRVT-HMOH-S1-002-N	HDHMO	Silver	Non-Standard	Subsidized (87%)	0.710	0.979	$319.04	$43.19	$9.37	$4.02	$5.50	$2.79	$383.90	$444.56	$889.12	$858.00	$1,249.21
FRVT-HMOH-S1-003-N	HDHMO	Silver	Non-Standard	Subsidized (94%)	0.710	0.979	$319.04	$43.19	$9.37	$4.02	$5.50	$2.79	$383.90	$444.56	$889.12	$858.00	$1,249.21
FRVT-HMO-PA2-001-S	HyHMO	Platinum	Standard	AI/AN	0.897	1.086	$447.13	$59.73	$12.95	$5.58	$5.50	$0.00	$530.89	$614.77	$1,229.54	$1,186.51	$1,727.50
FRVT-HMO-GA2-001-S	HyHMO	Gold	Standard	AI/AN	0.814	1.033	$385.95	$51.65	$11.20	$4.82	$5.50	$0.00	$459.12	$531.66	$1,063.32	$1,026.10	$1,493.96
FRVT-HMO-GA2-001-N	HyHMO	Gold	Non-Standard	AI/AN	0.798	1.022	$374.34	$50.49	$10.95	$4.71	$5.50	$2.79	$448.77	$519.68	$1,039.36	$1,002.98	$1,460.30
FRVT-HMO-GA2-002-N	HyHMO	Gold	Non-Standard	AI/AN	0.818	1.036	$388.98	$52.42	$11.37	$4.89	$5.50	$2.79	$465.95	$539.57	$1,079.14	$1,041.37	$1,516.19
FRVT-HMO-SA2-001-S	HyHMO	Silver	Standard	AI/AN	0.711	0.979	$319.49	$42.88	$9.30	$3.99	$5.50	$0.00	$381.16	$441.38	$882.76	$851.86	$1,240.28
FRVT-HMOH-SA2-001-S	HDHMO	Silver	Standard	AI/AN	0.712	0.980	$320.27	$42.98	$9.32	$4.00	$5.50	$0.00	$382.08	$442.45	$884.90	$853.93	$1,243.28
FRVT-HMO-SA2-001-N	HyHMO	Silver	Non-Standard	AI/AN	0.693	0.975	$310.13	$42.01	$9.11	$3.91	$5.50	$2.79	$373.45	$432.46	$864.92	$834.65	$1,215.21
FRVT-HMOH-SA2-001-N	HDHMO	Silver	Non-Standard	AI/AN	0.710	0.979	$319.04	$43.19	$9.37	$4.02	$5.50	$2.79	$383.90	$444.56	$889.12	$858.00	$1,249.21
FRVT-HMO-BA2-001-S	HMO	Bronze	Standard	AI/AN	0.573	0.948	$249.33	$33.62	$7.29	$3.11	$5.50	$0.00	$298.86	$346.08	$692.16	$667.93	$972.48
FRVT-HMOH-BA2-001-S	HDHMO	Bronze	Standard	AI/AN	0.621	0.955	$272.21	$36.64	$7.95	$3.40	$5.50	$0.00	$325.70	$377.16	$754.32	$727.92	$1,059.82
FRVT-HMO-BA2-001-N	HMO	Bronze	Non-Standard	AI/AN	0.577	0.948	$251.07	$34.22	$7.42	$3.17	$5.50	$2.79	$304.17	$352.23	$704.46	$679.80	$989.77
FRVT-HMOH-BA2-001-N	HDHMO	Bronze	Non-Standard	AI/AN	0.606	0.950	$264.24	$35.96	$7.80	$3.34	$5.50	$2.79	$319.62	$370.12	$740.24	$714.33	$1,040.04
FRVT-HMO-BA1-001-S	HMO	Bronze	Standard	AI/AN, Subsidized	0.573	0.948	$249.33	$33.62	$7.29	$3.11	$5.50	$0.00	$298.86	$346.08	$692.16	$667.93	$972.48
FRVT-HMO-BA1-001-N	HMO	Bronze	Non-Standard	AI/AN, Subsidized	0.577	0.948	$251.07	$34.22	$7.42	$3.17	$5.50	$2.79	$304.17	$352.23	$704.46	$679.80	$989.77

*The Induced Utilization Factor for the Catastrophic Plan includes an additional adjustment to reflect the population eligible to purchase the coplan. Support for this factor can be found in Appendix C of the Actuarial Memorandum.
**Reflects cost of Member Wellness Incentive Rider, Form FRVT-300